House of Assembly
Nova Scotia

Report

Commission of Inquiry
on
Remuneration of Elected
Provincial Officials

December 1, 2000

Office of the Commission of Inquiry on Remuneration of Elected Provincial Officials

Graham D. Walker, Q.C.
Commissioner

Diane Bernard
Secretary

Granville Level
Joseph Howe Building
1690 Hollis Street
P.O. Box 1617
Halifax, Nova Scotia
B3J 2Y3

Bus 902 424-2266
Fax 902 424-2404

Our File Number:

December 1, 2000

The Honourable Murray K. Scott
Speaker of the House of Assembly
Province House
Halifax, Nova Scotia

Dear Mr. Speaker:

I was appointed a Commissioner pursuant to subsection 45 (1) of the House of Assembly Act, Chapter 1 (1992 Supplement) of the Revised Statutes, 1989, to make an Inquiry and a Report respecting the indemnities, allowances and salaries to be paid pursuant to that Act, the Executive Council Act and the Members' Retiring Allowances Act.

I have completed the Inquiry. The Report is attached.

Respectively submitted,

Graham D. Walker

Printed on paper that contains recycled fibre

101-02644/

NOVA SCOTIA

COMMISSION OF INQUIRY

ON

REMUNERATION OF ELECTED

PROVINCIAL OFFICIALS

DECEMBER 1, 2000

TABLE OF CONTENTS AND LIST OF TABLES

Table of Contents *PAGE*

1.	Introduction	1
	Commission	1
	Task	2
	Methodology	
2.	Resolution	4
3.	Indemnities, Allowances and Salaries of MLAs	6
4.	Salaries of Members who hold office pursuant to the Executive Council Act and the House of Assembly Act	26
5.	The Offices of the Leaders	30
6.	The Office of an Independent Member	31
7.	Caucus Offices	32
8.	The Officers of the House	33
	(a) The Chief Clerk	34
	(b) The Assistant Clerk	36
	(c) The Sergeant-at Arms	37
	(d) The Legislative Counsel	38
9.	Legislature Internal Economy Board	40
10.	Committees and Boards of the House	42
11.	House Leaders	43
12.	Whips and Caucus Chairs	44
13.	Constituency Matters and Offices	45

14. Members' Retiring Allowances Act 47

15. Review of Section 45 - House of Assembly Act 54

16. Conclusion 56

17. Summary of Recommendations 57

18. Summary of Proposals 58

19. Appendices 60

List of Tables

Table 1 - Sitting Days per Session of the Nova Scotia Legislature 8

Table 2 - Comparison of amounts being paid MLAs in Nova Scotia and other jurisdictions 10

Table 3- Taxable Income Required to replace Tax-Free Allowance 12

Table 4 - Projected cost to the Province of replacing MLAs' Tax-Free Allowance with Taxable Income 13

Table 5 - Summary of Indemnities, Allowances and Salaries for MLAs and Salaried Members and Members of the Executive Council from 1982 to present 15

Table 6 - Indemnities and Allowances of members of Provincial and Territorial Parliaments in Canada as at October 1999 17

Table 7 - CPI Index 18

Table 8 - Average Salaries of Selected Public Sector Groups Nova Scotia 1994-1999 19

Table 9 - Public Sector Wage Adjustments Nova Scotia 1994-1999 19

Table 10 - Contract Duration and Wage Provisions, Nova Scotia Public Service, updated to October 1999 21

Table 11 - Comparison of Indemnities and Allowances paid in the four Atlantic Provinces and the Provinces of Manitoba and Saskatchewan 28

Table 12 - Statement of Members' Retiring Allowances Account 50

Table 13 - Defined Benefit Plans and Defined Contribution Plans 52

INTRODUCTION

The Commission

The House of Assembly Act provides in subsection 45 (1) that the Speaker, after appropriate consultation, shall on or before the first day of October in each year appoint persons to make an Inquiry and a Report respecting the Indemnities, Allowances and Salaries to be paid pursuant to the House of Assembly Act, the Executive Council Act and the Members' Retiring Allowances Act.

A copy of Section 45 of the House of Assembly Act is attached as Appendix A.

On September 14, 2000, the Speaker, the Honourable Murray K. Scott, appointed Graham D. Walker, Q.C., a Commissioner to carry out the present Inquiry. The Speaker directed that the Inquiry and Report shall deal with the Indemnities, Allowances and Salaries paid in accordance with the House of Assembly Act , the Executive Act and the Members' Retiring Allowances Act. A copy of the letter of appointment is attached as Appendix B.

The Commission engaged the services of Diane Bernard as Secretary.

The Task

The task of the Commissioner, pursuant to the Legislation is to determine the amount of the indemnities, allowances and salaries either in specific numbers or by formula or by making proposals to the Legislature Internal Economy Board. No criteria are given to the Commissioner to determine these indemnities, allowances and salaries. The Commission is free to use whatever criteria, within reason, that is available. The recommendations apply from the first day of January immediately following the year in which the persons are appointed to make the Report until they are subsequently changed and to further emphasize the independence of the Commission the Legislation is also very specific that the Speaker has no option but "*shall cause the recommendations to be implemented and they have the same force and effect as if enacted by the Legislature and are in substitution for provisions of the House of Assembly Act, the Executive Council and the Members' Retiring Allowances Act as the case may be*".

This Report makes *recommendations* that, pursuant to Section 45 of the House of Assembly Act, have the same force and effect as is they were passed by the Legislature. This Report also makes *proposals* which are for the consideration of the Speaker and the Legislature Internal Economy Board.

Methodology

The Commission took into consideration the following factors in arriving at its conclusions:

(1) The Commissioner invited opinions from the general public, boards, commissions, corporations, agencies and all the members of the Legislature, and Caucus Chairs, and members of the Executive Council.

(2) The invitation for opinions, advice and comment were made by direct mail to members of the Legislature, the Executive Council and Caucus Chairs and by advertisement in the daily and weekly newspapers in the Province to the general public and other parties. A mailing address and telephone and facsimile numbers were provided. Three public hearings were held in the Red Room, Province House, on October 17, 2000 and October 24, 2000, from 10:00 am to 12:00 noon, and from 2:00 pm to 5:00 pm and on October 28, 2000, from 10:00 am to 1:00 pm. In response to the invitation extended, letters, telephone and facsimile messages have been received from several people. In addition, with respect to the members of the House of Assembly and the Executive Council submissions were made both for and against any increase in indemnities, allowances and salaries. The Premier, The Honourable John Hamm, speaking for himself urged that there be no change in indemnities, allowances and salaries at this time.

The New Democratic Party members of the House of Assembly made a formal submission to the Commissioner, in the Red Room, on October 24, 2000, on behalf of the Caucus by Mr. William Estabrooks, MLA, Chair of the NDP Caucus. The NDP Caucus composes ten members of the House of Assembly. It recommended that:

1) MLA remuneration, the total indemnity and allowance, be increased effective January 1, 2001 to the average that is paid now or (where known) is to be paid to MLAs in the other smaller provinces: Saskatchewan, Manitoba, New Brunswick, Prince Edward Island and Newfoundland.

2) Henceforth, MLA remuneration be increased each January 1 by the rate that average weekly earnings in Nova Scotia have increased in the last 12 months reported by Statistics Canada. This recommendation stands alone, regardless of whether or when a one time catch-up takes place.

Representations by the general public were almost evenly divided that there should be an increase or no increase in indemnities, allowances and salaries at this time. It is implicit in the second recommendation of the NDP Caucus that there should not be an annual review of the indemnities, allowances and salaries of the Members of the Legislature and the Members of the Executive Council. In addition, one member of the public raised the questions as to the usefulness of holding hearings annually with respect to this matter, since there seemed to be a very low response to the opportunity for Members of the Legislature, the Executive Council and the general public to be heard. I will provide further discussion of this point further in the report and make a proposal with respect to the suggestions that have been made.

(3) The Commissioner placed reliance upon information received from the Federal, Provincial and Territorial jurisdictions, with respect to current information concerning indemnities, allowances and pension and retiring arrangements, in those jurisdictions. This particular phase of the Inquiry was carried out by making a numerical comparison between the salaries and indemnities paid in those other jurisdictions with those in Nova Scotia and as well as categorizing the jurisdictions with respect to the highest salary and indemnity down to the lowest salary and indemnity.

(4) The Commissioner took into consideration the workload of the members of the Legislature and the length of hours that it took the members to carry out their duties both in the House of Assembly, in the Caucuses and generally throughout an MLA's riding.

(5) The Commissioner also gave consideration to the Consumer Price Index, the average salaries of public sector groups, the public sector wage adjustments in percentage figures since 1994, the contract duration and wage provisions, with respect to the Nova Scotia Public Service and what percentage would be required to implement a cost of living adjustment, the so-called COLA formula and the salaries paid to judges appointed by the Province. The wage settlements in question were all negotiated before calendar 1999 with the result that the Commissioner did not have before him a wage settlement pattern for 1999.

(6) The Commissioner, is aware of the financial situation of the Province. The Commissioner is also mindful of the financial return to the Members of the Legislature and the Executive Council and the financial return to other persons in public life in Nova Scotia and the relativity of financial return to comparable persons performing comparable duties both in and out of Nova Scotia and the fact that the financial gap between both the Members of the Nova Scotia Legislature and the Executive Council is increasing each year to the detriment of those Members.

RESOLUTION

The Commissioner resolved the question of the indemnities, allowances and salaries of the members of the Legislature by giving consideration to all of the factors listed in the subparagraph "*Methodology*".

(1) The view of a number of the members of the Legislature, the Executive Council, and the Caucuses and the general public is that there should be a nominal increase, at least comparable to what is given to those in the public service, in the indemnities, allowances and salaries of the members of the Legislature at this time. This factor alone is not controlling since the task of the Commissioner is not to conduct a plebiscite but to give consideration to a number of matters.

(2) The information received from other Federal, Provincial and Territorial jurisdictions, with respect to current information concerning indemnities, allowances and pension and retiring arrangements in those jurisdictions directs the Commissioner to a conclusion that there should be an increase in indemnities, allowances and salaries of the members for the year 2001. The members of the Nova Scotia House of Assembly will continue to maintain its same position in the list of indemnities, allowances and salaries with other jurisdictions as it did in the year 1999. Under the circumstances there is no change in the relative position of the remuneration being paid to the members of the House of Assembly of Nova Scotia vis a vis the remuneration of members of other Legislatures.

(3) The workload of the members of the Legislature and the length of hours they spend in their duties are not fully known to members of the public. These duties consist of attending the Legislature and its committees in many cases, with extended hours in the House as well as carrying on their constituency business through the constituency office, returning phone calls, meeting with members of organizations in their constituencies, attending various communal gatherings as well as local, provincial and national conferences.

(4) The information concerning current salaries in the public sector groups are not sufficient to give a pattern of wage settlement for the year 2000. Most of the information concerning these wage settlements is with respect to contracts that were settled since 1997-98 and are of two to three year durations and the increases that are being paid are in the final years of those contracts.

(5) The final factor in the calculation is what weight should be given by the Commissioner to the financial position of the Province. Common sense tells the Commissioner that you cannot ignore the source from which funds that might be used to remunerate Members of the Legislature arise. Further, it would be burying one's head in the sand to pretend that the pot is full and that remuneration should be set in isolation without consideration of the cost factor

to general Government policy and to the position of taxpayers generally. It is further obvious that the Commissioner is not in a position to review Government policy and make an adjudication upon that policy. While the financial position of the Province is of great weight, it cannot forever be the one and only factor to make a determination as to the remuneration of the Members of the Legislature and the Executive Council. If it were, then a Commission should not be appointed to make such a decision but the Legislature itself, should make the decision. Such action would be contrary to the principle that is inherent and behind the purpose of Section 45 of the House of Assembly Act, namely that the government and the Members of the Legislature and the Members of the Executive Council should not be in a position to set their own remuneration. This remuneration is set in consultation with the public, views expressed by the Members and other members of the community as well as an examination of matters relative thereto. When all matters going into the mix are considered then the final solution is determined.

I have asked each caucus to provide me with an estimate of the number of hours that a member spends carrying out duties that are required by the person's elected position. The examples that came back to me, all non-Ministers, were:

Member A 12-16 hrs per day, 7 days a week or 84 hrs - 112 hrs per week;
Member B 85 hrs and 45 min. per week;
Member C 81 hrs per week;
Member D 60-72 hrs per week

The Caucus offices have assured me that these numbers take into consideration times when the House is sitting and when the House is not sitting. Since no members of the Executive Council were included in this estimate, I think it is clear that a Member of the Executive Council works a much longer week in order to carry out the additional duties of running a Department or Departments of Government.

Recommendation

After considering the submissions made by the general public, the members of the Legislature, members of the Executive Council and the members of the various Caucuses and after considering all of the economic factors that bear upon the amounts to be considered in determining the pay of MLAs, including the Consumer Price Index and the compensation increases determined for the public service, both imposed increases and negotiated increases, and the relative position of the Nova Scotia MLAs, with MLAs of other jurisdictions, the general earning capacity of Nova Scotians, the prevailing financial commitments of the Province and the fact that the amount to be paid should make it possible for persons without private sources of income to stand for office and, once elected, to serve (even though these persons will not become wealthy in so doing), I recommend,

R-1 that in the calendar year 2001, beginning January 1, members of the Legislature receive an indemnity of $31,964.92 and a non-taxable allowance of $15,982.46. The result is that a Member will receive in 2001 the basic amount of $47,947.38.

INDEMNITIES, ALLOWANCES AND SALARIES OF MLAs

Being elected to the Legislature is a high calling. It is an honourable occupation, signifying trust and confidence by the Electors. The expectation of the Electors is equally high. As government, over the years, has become more involved in the lives and affairs of our citizens, the needs and requirements of those whom members serve, have increased. Whether it be a matter of completing a form, or seeking advice or determining the details of a government program or making representations on social, community or policy issues, the member occupies the first line of approach. Often requests for assistance relate to all levels of government namely, Provincial, Federal or Municipal. This is to be expected because constituents are not always able to determine which level has jurisdiction over a given matter. The demands and pressures on MLAs are quite different than those experienced in most forms of employment.

The work of the MLA has become a full time, year round occupation. This applies to all 52 members. Seldom does a member have a day off duty without being interrupted by the business of constituents. The result is that few have second occupations or other sources of income. Where a shortfall occurs, they must resort to personal resources.

As the Commissioners appointed in 1983 stated in their Report at page 53, and I quote:

"While there is no 'standard' MLA, we have the task of assessing standards for their remuneration. In our view, that task involves developing a standard for fair and reasonable indemnities, allowances and salaries based on certain principles. Those principles enunciated in pervious reports include:

1) *remuneration should be adequate in light of the time and responsibilities involved in office and the risks of disruption of career and personal opportunities so that our political parties and their leaders, upon whom parliamentary government depends, may attract the most able persons among us to seek office and not deter the best of those elected from accepting and continuing full-time service in government;*

2) *remuneration should be reasonable so that the person who has no personal financial resources except through his vocational earnings, which may be terminated or seriously affected if he is elected, is not dissuaded from seeking office to serve the province merely because of financial circumstances;*

3) *remuneration should be adequate to ensure that MLAs and Ministers are supported without unfair financial sacrifice upon them or their families, particularly for those in their prime earning years when family and other obligations are likely to be heavy.*

Remuneration and support that is fair and reasonable will not unduly encourage anyone interested primarily in financial reward for the balanced judgement of political parties and the electorate can be counted upon to reject those not primarily interested in public service. Nor will such remuneration result in any significant advantage for any elected member who happens to be comparatively well-to-do, for our progressive income tax structure precludes that result."

The work of the member falls into two levels. The member must be visible and alert to the needs of all the people in the constituency for which the member has been elected. The member must also be alert and informed on the public issues which come before the House so that the member may participate as a knowledgeable and constructive contributor to the debates of the House and the development of Legislation.

The House now sits twice each year and when the hours are extended, a sitting day may last ten or twelve hours. Set out below in **Table 1** are statistics concerning sitting days per session and extended hours of the House of Assembly of Nova Scotia.

Table 1

SITTING DAYS PER SESSION OF THE NOVA SCOTIA LEGISLATURE

1970 - 2000

Year	*Assembly*	*Session*	*Sitting Days*
1970-71	*50th Assembly*	*1st session*	*40 days*
		2nd session	*6 days*
1972		*3rd session*	*57 days*
1973		*4th session*	*52 days*
		5th session	*11 days*
1974	*51st Assembly*	*1st session*	*41 days*
1975-76		*2nd session*	*69 days*
1976-77		*3rd session*	*55 days*
1977-78		*4th session*	*58 days*
1978		*5th session*	*54 days*
1978-79	*52nd Assembly*	*1st session*	*77 days*
1980		*2nd session*	*64 days*
1981		*3rd session*	*83 days*
1982	*53rd Assembly*	*1st session*	*87 days*
1983		*2nd session*	*64 days*
1984		*3rd session*	*67 days*
1985	*54th Assembly*	*1st session*	*50 days*
1986		*2nd session*	*56 days*
1987		*3rd session*	*59 days*
1988		*4th session*	*56 days*
1989	*55th Assembly*	*1st session*	*72 days Prorogued*
1990		*1st session*	*76 days*
1991		*2nd session*	*40 days*
1992		*3rd session*	*51 days*

1993	*56th Assembly*	*1st session*	*52 days*
1994		*2nd session*	*57 days*
1994-95		*2nd session*	*62 days*
1995		*3rd session*	*34 days*
1995-96		*3rd session*	*47 days*
1996		*4th session*	*35 days*
1996		*4th session*	*25 days*
1997		*5th session*	*22 days*
1997		*6th session*	*17 days*

House Dissolved - February 12, 1998
General Election March 24, 1998

1998-99	*57th Assembly*	*1st session*	*96 days*

House Dissolved - June 18, 1999
General Election July 27, 1999

1999-2000	*58th Assembly*	*1st Session*	*108 days*

Total Days of Extended Hours 1983 - 2000

1983	*33 days*
1984	*22 days*
1985	*16 days*
1986	*32 days*
1987	*22 days*
1988	*19 days*
1989	*28 days*
1990	*29 days*
1991	*24 days*
1992	*39 days*
1993	*28 days*
1994	*33 days*
1994-95	*46 days*
1995	*20 days*
1995-96	*34 days*
1996	*12 days*
1996	*16 days*
1997	*13 days*
1997	*6 days*
1998-99	*44 days*
1999-2000	*88 days*

In Nova Scotia a member of the Legislative Assembly is paid $46,550.85 each year. There are two components to the annual remuneration. The first is an annual indemnity of $31,033.90 and the second is an expense allowance of $15,516.95.

The expense allowance is non-taxable. For many years it has been part of the compensation package not subject to income tax in the hands of the MLA. Most provincial and territorial jurisdictions in Canada have provided a similar non-taxable allowance. Today the exceptions are the Provinces of Ontario, Manitoba and British Columbia. There, the non-taxable allowance has been integrated with the taxable indemnity. This has also been done recently in the case of members of Parliament and Senators.

The following **Table 2** illustrates the amounts being currently paid MLAs in Nova Scotia and other jurisdictions, the division between taxable indemnities and non-taxable allowances and the ranking of the total amounts among the provinces and the territories.

Table 2

Province or Territory	Taxable Indemnity	Non Taxable Allowance	Total	Rank
Ontario	$78,007	NIL	$78,007	1
British Columbia	$71,000	NIL	$71,000	2
N.W.T.	$71,000	NIL	$71,000	3
Quebec	$63,317	$12,389	$75,706	4
Manitoba	$61,519	NIL	$61,519	5
Saskatchewan	$56,684	$4,638	$61,322	6
Alberta	$39,568	$19,860	$59,428	7
Newfoundland	$36,748	$19,784	$59,428	8
New Brunswick	$38,075.95	$15,230.38	$53,306.33	9
Nunavut	$37,624.46	$15,049.78	$52,694.24	10
Prince Edward Island	$33,155	$10,050	$43,205	11
Yukon	$33,150	$15,601**	$48,751	12
Nova Scotia	$31,033.90	$15,516.95	$46,550.85	13

* N.W.T. and Nunavut provide a separate rate of $6,222 for Speakers and Ministers

** Expense allowance for those resident in Whitehorse is $13,622

Since the report was prepared in December 1999 for the Province of Nova Scotia the following changes have taken place with respect to remuneration in other jurisdictions:

Nova Scotia	no increase
Newfoundland	2% increase in the indemnity 4% increase in the allowance
New Brunswick	1.8% increase
Quebec	4% increase
Manitoba	3.8% increase
Saskatchewan	1.3% increase
Alberta	1.5% increase
British Columbia	1.5% increase

For the year 2001, the following changes are recommended in the compensation for Members of some Legislatures:

Nova Scotia	3%
New Brunswick	1.2%
Prince Edward Island	2.5%
Quebec	10.5% increase retroactive to July 1, 2000 with a 2.5% increase on January 1, 2001 and another 2.5% increase one year later
Ontario	recommended 32% increase

A variety of representations have been made to the Commission with respect to the non-taxable allowance. Some say it should be abolished as a tax-free item while others urge that it be retained. As part of the salary package, a strong case can be made that the non-taxable allowance should be integrated with the indemnity resulting in a total annual salary that is fully taxable.

To do this for the year 2001 means that to retain the current total "take home pay" of $46,550.85, the indemnity portion of $31,033.90 would have to be grossed up by a considerable amount. This is best illustrated by reference to **Table 3** on the next page.

Table 3

MLA's Remuneration
Taxable Income Required to Replace Tax Free Allowance

	Status Quo							Change				
Positions	Indemnity	Salary	Total Taxable	Tax payable	Taxable Income After tax	Expense Allowance	Total After Tax Income	Original Taxable Income	Required Replace Income	New Taxable Income	Tax Payable	Total After tax Income
MLA	31,034	0	31,034	5,046	25,988	15,517	41,505	31,034	22,866	53,900	12,395	41,505
Deputy Speaker	31,034	6,178	37,212	6,845	30,367	15,517	45,884	37,212	23,248	60,460	14,576	45,884
* Party Leader	31,034	27,794	58,828	14,034	44,794	15,517	60,311	58,828	24,688	83,516	23,205	60,311
Minister, Speaker	31,034	37,055	68,089	17,150	50,939	15,517	66,456	68,089	25,922	94,011	27,555	66,456
Premier	31,034	52,012	83,046	23,014	60,032	15,517	75,549	83,046	26,709	109,755	34,206	75,549

*Reflects present temporary House of Assembly Establishment

Note. "Tax Payable" was calculated on the following bases:
The only non-refundable tax credits taken into account are the personal exemption and Canada Pension Contributions.
It is assumed that pension contributions equal to 10% of total income are fully deductible in determining taxable income.

At my request, officials in the Department of Finance have prepared a chart on the projected cost to the Province for doing this for the 52 MLAs including the salary portions for those who are in Cabinet and other related posts. As **Table 4** estimates, the total cost to the Province of Nova Scotia at current rates is $268,126:

Table 4

PROJECTED COST TO THE PROVINCE OF REPLACING MLAS TAX FREE ALLOWANCE WITH TAXABLE INCOME

	POSITIONS				
	MLA	Dep Speaker	Party Leader	Minister Speaker	Premier
Current Taxable Income	31,034	37,212	58,828	68,089	83,046
Tax Free Allowance	15,517	15,517	15,517	15,517	15,517
NS tax payable on current income	1,913	2,658	5,567	6,849	9,093
Taxable income to replace tax free allowance	22,866	23,248	24,688	25,922	26,709
NS tax payable on revised income	4,904	5,786	9,164	10,812	13,410
Calculation of change in cost to Province	(15,517)	(15,517)	(15,517)	(15,517)	(15,517)
Eliminating tax free allowance	22,866	23,248	25,710	25,922	26,709
Replacement taxable income	(2,991)	(3,128)	(3,597)	(3,963)	(4,317)
Net incremental cost to Province	4,358	4,603	6,596	6,442	6,875

Cost to Province for various positions	
Premier	6,875
11 Cabinet Ministers	10,863
Speaker	6,442
2 Party Leaders	13,193
3 Deputy Speakers	13,809
34 MLAs	148,183
Increase in employer Canada Pension Plan Contributions	8,761
Total Cost	268,126

While integration to a fully taxable indemnity is appealing and most likely will occur in time, the reality of doing this in 2001 is that the current fiscal situation in Nova Scotia cannot afford an off-load of $268,126 plus whatever further amount would come about as a result of the application of the recommended 3% increase for the year 2001. For that principal reason, I have concluded that in 2001 the non-taxable allowance should be continued as a component in the compensation paid the MLA. The next Inquiry Commission will have to revisit this subject.

Table 5 shows a summary of the indemnities, allowances and salaries for MLAs, salaried members and members of the Executive Council of Nova Scotia from 1982 to the present. The 3% increase recommended by the Commission in the Report dated November 30, 1998 has been included. The present remuneration with respect to matters in Table 5 is shown on the line marked "2000".

Table 5

Summary of Indemnities, Allowances and Salaries for
MLA's Salaried Members and Members of the Executive Council of Nova Scotia
1982 - 2000

YEAR	ANNUAL INDEMNITY	ANNUAL EXPENSE ALLOWANCE	SPEAKER	DEPUTY SPEAKER	LEADER OF OPPOSITION	LEADER OF RECOGNIZED PARTY	MINISTER WITHOUT PORTFOLIO	MINISTER WITH PORTFOLIO	PREMIER
1982	$16,400	$ 8,200	$15,000	$ 7,500	$25,000	$10,000	$ 7,500-$25,000	$25,000	$32,000
1983	$18,656	$ 9,328	$29,150	$14,575	$29,150	$14,575	$ 7,500-$29,150	$29,150	$37,630
1984	$19,400	$ 9,700	$30,300	$15,150	$30,300	$15,150	$ 7,500-$30,300	$30,300	$39,511
1985	$20,280	$10,140	$31,670	$15,835	$31,670	$15,835	$ 7,500-$31,670	$31,670	$40,860
1986	$27,315	$10,340	$32,300	$16,150	$32,300	$16,150	$ 7,500-$32,300	$32,300	$41,675
1987	$28,860	$10,550	$32,950	$16,475	$32,950	$16,475	$ 7,500-$32,950	$32,950	$42,510
1988	$28,695	$10,865	$33,935	$16,970	$33,935	$16,970	$ 7,500-$33,935	$33,935	$43,785
1989	$28,695	$12,450	$35,290	$17,650	$35,290	$17,650	$ 7,500-$35,290	$35,290	$45,535
1990	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1991(1)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1992 (1)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1993(1)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1994(2)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1995(2)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1996(2)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1997(3&4)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1998(4)	$30,130	$15,065	$37,055	$18,533	$37,055	$18,533	$ 7,500-$37,055	$37,055	$52,012
1999	$31,034	$15,517	$37,055	$ 6,178	*$27,794	*--------	$7,500-$37,055	$37,055	$52,012
2000	$31,034	$15,517	$37,055	$ 6,178	*$27,794	*--------	$7,500-$37,055	$37,055	$52,012

Notes:
(1) Effective May 14, 1991 all of the above rates were frozen until January 1, 1994.
(2) From April 1, 1993 until March 31, 1994 rates were reduced by 2%. On April 1, 1994, the 2% was restored.
(3) From November 1, 1994 to October 31, 1997 all rates were frozen and also subject to a rollback of 3%.
(4) On November 1, 1997 the 3% was restored.

* Reflects present temporary composition of The House of Assembly

Since the work of the MLA, Cabinet Ministers and other elected officials is considerably different from most other occupations, it is difficult to find comparable pay scales, benefits and working conditions. One obvious comparison is that paid in other jurisdictions. **Table 6** provides the scales being paid in the provinces and territories in Canada:

Table 6
Indemnities & Allowances of Members of Provincial & Territorial Parliaments in Canada
August 2000

Province	Taxable MLA Indemnity	Non Taxable allowance	Speaker Salary	Deputy Speaker Salary	Premier Salary	Cabinet Minister Salary	Opp Leader Salary	Gov't House Leader	Opp House Leader	Gov't Whip Salary	Opp Whip Salary	Third Party Leader	*Minister without portfolio	*3rd Party Whip
Ontario	$78,007	nil	$24,338	$11,545	$61,860	$32,997	$43,060	$14,977	$14,275	$14,275	$10,921	$27,848	$14,977	$6,397
B.C.	$71,000	nil	$39,000	$19,500	$45,000	$39,000	$39,000	nil	$9,000	$9,000	$9,000	$19,500	$25,000	$6,000
NWT	$71,000		$25,000	$5,000	$54,000	$38,000	N/A	N/A	N/A	N/A	N/A	N/A		
Senate	$68,200	$10,700	38,100*1		$49,300		$25,000			$7,800	$4,800			
House of Commons	$68,200	$22,500	52,000	$27,200	$74,100	$49,300	$52,000		$25,000	$13,800	$13,800	$31,200		$7,800
Quebec	$63,317	$12,389	$47,488	$22,161	$66,483	$47,488	$47,488	$47,488	$22,161	$22,161	$18,995	$22,161		$9,498
Manitoba	$61,519	nil	$22,867	$7,623	$43,554	$27,223	$27,223	$7,623	$5,446	$5,446	$4,357	$21,778		$3,268
Sask.	$56,684	$4,638	$30,720	$10,240	$51,201	$35,841	$35,841	nil	$8,192	$8,192	$8,192	$17,921		$4,096
Alberta	$39,720	$19,860	$48,744	$24,372	$62,016	$48,744	$48,744		$10,368	$8,292	$6,216	$8,292	$21,660	$5,184
Nfld.	$39,568	$19,784	$41,443	$20,721	$56,042	$41,443	$41,443	nil	$20,721			N/A		
N.B.	$38,075.95	$15,230.38	25,499.74	$7,904.91	50,996.30	$33,998.24	$33,998.24	nil	nil	$5,000	$5,000	$12,000		$500
Nunavut	$36,748	$18,665	$57,916	$5,580	$62,975	$57,916	nil	nil	nil	nil	nil	nil		
PEI	$33,155	$10,050	$25,530	$12,765	$54,270	$38,335	$38,335	$5,180	$3,630	$3,055	$3,055	N/A		N/A
Yukon	$33,150	$15,601**	$7,049	$5,287	$28,971	$21,147	$21,147	nil	nil	nil	nil	$4,229		
N.S	$31,033.90	$15,516.95	$37,055	$18,533	$52,012	$37,055	$37,055	$5,500	$3,000	$85 x no. of MLAs	$85 x no. of MLAs	$18,533		

* - Separate Rate for Speakers/Ministers ($6,222)

** - Expense allowance for those resident in Whitehorse is $13,622

*1 - Speaker salary (Senate) $38,100 +$3,000 residence + $1,061.21 car allow +$10,900+pro tempore

Ranked with the other jurisdictions, Nova Scotia MLAs are 15 out of 15. Newfoundland is tenth, New Brunswick is eleventh and PEI is thirteenth. The Provinces of Manitoba and Saskatchewan, with which we often compare to Nova Scotia, rank seventh and eighth respectively.

Another economic factor to be considered is the **Consumer Price Index.** This is the measure of the cost of a fixed basket of goods compared and tracked over a period of time. **Table 7** reflects the CPI for Nova Scotia-all items-with a 1992 time base equal to 100. The far column on the right indicates the annual average has been increasing since 1993 from 101.2 to 108.5 in 1999. Over the period under review by this inquiry, the **CPI Index** has shown nominal increases in Nova Scotia.

Table 7
Consumer Price Index
Nova Scotia - All Items
1992=100

	Jan.	Feb.	Mar	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Ann. Avg.
1993	99.9	100.2	100.3	100.6	100.8	101.0	101.1	101.3	101.4	102.3	102.9	102.7	101.2
1994	102.7	102.3	102.6	101.8	101.9	102.2	102.5	102.5	102.6	102.5	102.7	102.5	102.3
1995	102.7	103.3	103.6	103.7	104.3	104.1	104.4	103.8	104.0	103.8	104.0	103.3	103.8
1996	103.9	104.0	104.3	104.9	106.2	105.9	105.4	105.7	106.0	106.6	107.0	107.3	105.6
1997	107.1	107.3	107.6	107.8	107.7	107.6	107.7	108.2	108.2	108.3	108.1	108.0	107.8
1998	108.7	108.5	108.6	108.4	108.5	108.4	108.5	108.6	107.4	108.7	108.7	108.4	108.5
1999	108.2	108.7	108.7	109.7	109.9	110.0	110.1	111.1	111.6	111.7	112.0	112.0	110.3
2000	112.0	112.9	113.5	113.1	113.5	114.2	114.1	114.0	115.0				

Percentage Change from Previous Month (August 2000) 0.9%
Percentage Change from Same Month Last Year (September 1999) 3.0%

Definition - The Consumer Price Index (CPI) is an indicator of the changes in consumer prices experienced by the target population. The CPI measures price change by comparing, through time, the cost of a fixed basket of goods.

Calculating Cost of Living Adjustments (COLA)

- Calculate the percentage change in the CPI for each month of the 12 month period by subtracting the index for the previous month/year from the current month/year and converting the difference to percentage terms.

  e.g. $\frac{\text{Jan 99 index - Jan 98 index}}{\text{Jan 98 index}} \times 100 = \%$ change in index

- Repeat step 1 for the remaining months in the year and add the percentage changes for each month in the 12 month period to determine the total percentage change.
- Divide the total percentage change by 12, rounded off to the nearest 1/100th of a percentage to calculate the average annual percentage change.

Table 8 provides the average salaries of selected public sector groups in Nova Scotia.

Table 8

Nova Scotia Public Sector Groups

Average Salaries		
• *Deputy Minister	as of October 25, 2000	$101,778
• Civil Service Management	as of August 31, 2000	$ 58,890
• Nurses (Civil Service)	as of August 31, 2000	$ 46,547
• Teachers (NSTU)	as of September 1999	$ 52,019
• Judges Appointed by the Province	April 1, 1999 April 1, 2000 April 1, 2001	$130,000 $137,000 $144,000

* *Excludes Deputy Minister of Health*

Produced here in **Table 9** is a list of public sector wage adjustments in Nova Scotia for a sample of certain groups of public service employees:

Table 9

Public Sector Wage Adjustments

Wage Adjustments		
• Deputy Ministers	Not Determined	
• Civil Service Management	Not Determined	
• Nurses (Civil Service)	Currently in Negotiations	
• Teachers (NSTU)	November 1, 1999	1.0%
	August 1, 2000	1.1%
	August 1,2001	1.8%

The summary of Public Sector Collective Agreements in Nova Scotia has been extracted from the Department of Human Resource's database of collective bargaining summaries. Currently within this summary there are 19 agreements that will be in effect in 2001. Of these 19 agreements there are five which have a scheduled wage adjustment.

• HRM Police	2.7% (April 1, 2001)
• HRM Firefighters	3.0% (Sept 1, 2001)
• Teachers	1.8% (Aug 1, 2001)
• University College of CB Faculty	3.5% (July 1, 2001)
• Dalhousie Univ. Maintenance Workers	2.0% (July 1, 2001)

The average wage adjustment for these five agreements is 2.6%

Reference is also made to **Table 10** which details settlements made with several organized groups in the public service. These have start dates of November 1, 1997 and for the vast majority of employees an end date of March 31, 2000.

Table 10

COLLECTIVE BARGAINING
Nova Scotia

Summary of Collective Agreements
Public Sector

Employer	*Union*	*Start Date*	*End Date*	*Dur. (mon.)*	*# of Empl.*	*Avg. Annual Increase*	*1st Year*	*Effective Date*	*2nd Year*	*Effective Date*	*3rd Year*	*Effective Date*	*Significant Items*
Jurisdiction: PU													
Town of Mulgrave	CUPE	03/01/1998	02/28/2001	36			*	03/01/1998	3.0	03/01/1999	3.0	03/01/2000	*Currently unknown
Town of New Glasgow	CUPE	03/01/1998	02/28/2001	36		1.8	1.0	04/01/1998	1.6*	11/01/1998	2.7*	11/01/1999	*Received 1% + COLA
Town of Kentville	CUPE	11/01/1997	03/31/2001	41			*	11/01/1997	3	04/01/1998	3	04/01/1999	Further 2% effective 04/01/00. First adjustment unknown.
Municipality of Kings Co.	CUPE	04/01/1998	03/31/2001	36			*	04/01/1998	3.5	04/01/1999	1.5	04/01/2000	*Unknown
Town of Trenton	CUPE	11/01/1997	03/31/2001	41		4.0	5.0	11/01/1997	3.0	11/01/1998	3.0	11/01/1999	Further 2% increase effective Nov. 1, 2000

Employer	Union	Start Date	End Date	Dur. (mon.)	# of Empl.	Avg. Annual Increase	1st Year	Effective Date	2nd Year	Effective Date	3rd Year	Effective Date	Significant Items
Town of Stellarton	CUPE	11/01/1997	03/31/2001	41		2.9	5.7	11/01/1997	2.0	04/01/1999	2.0	04/01/2000	
Town of Truro	CUPE	11/01/1997	04/30/2001	42			*	11/01/1997	4	11/01/1998	3	11/01/1999	Further 2% effective 11/01/00. *First year unknown.
Halifax Reg. Municipality	Police Personnel	01/07/1999	06/30/2003	48	460	2.9	3.0	01/07/1999	2.4	01/04/2000	2.7	01/04/2001	Further 3.1% increase effective April 1, 2002
Halifax Reg. Municipality	Firefighters	01/06/2000	05/31/2004	48	450	3.6	*5.0	01/06/2000	3	01/09/2001	3	01/09/2002	Further 2.5% increase effective Sept 1/2003 *Received in 2 increases 2% effective June 1/00 and 3% effective Sept. 1/00

COLLECTIVE BARGAINING
Nova Scotia

Summary of Collective Agreements
Public Sector

Employer	*Union*	*Start Date*	*End Date*	*Dur. (mon.)*	*# of Empl.*	*Avg. Annual Increase*	*1st Year*	*Effective Date*	*2nd Year*	*Effective Date*	*3rd Year*	*Effective Date*	*Significant Items*
Jurisdiction: ED													
N.S. Community Colleges	NSGEU (Oper. Support)	11/01/1997	03/31/2001	41		2.5	3.0	11/01/1997	1.9	11/01/1998	1.9	04/01/1999	Further 1.5% effective April 1, 2000.
Dalhousie Univ.	NSGEU (Non-Academic)	11/01/1997	06/30/2001	44		3.1	5.0	11/01/1997	2.0	07/01/1998	2.0	07/01/1999	Further 2% effective July 1, 2000.
Dalhousie Univ.	Dalhousie Faculty Assoc.	11/01/1997	06/30/2001	44	750	3.0	3.2	11/01/1997	2.3	07/01/1998	2.0	07/01/1999	Further 2.8% effective July 1/00.
N.S. Community Colleges	NSTU (Faculty)	08/01/1998	07/31/2001	36		3.0	*5.0	08/01/1998	1.9	04/01/1999	1.9	04/01/2000	*3% was paid retro. To Nov. 1, 1997.
NS Community College	NSTU (Prof.Support)	08/01/1998	07/31/2001	36		3.0	*5.0	08/01/1998	1.9	04/01/1999	1.9	04/01/2000	*3% was paid retro to Nov. 1, 1997.

Employer	Union	Start Date	End Date	Dur. (mon.)	# of Empl.	Avg. Annual Increase	1st Year	Effective Date	2nd Year	Effective Date	3rd Year	Effective Date	Significant Items
Gov. of N.S.	NSTU	11/01/1999	12/31/2001	25	10,000	1.9	1	11/01/1999	1.1	08/01/2000	1.8	08/01/2001	
Univ. College of C.B.	Faculty Assoc. of Univ. Teachers	07/01/1998	06/30/2002	48		5.4	9	07/01/1998	3.75	07/01/1999	3.75	07/01/2000	Further 3.5% effective July 1, 2001.
Dalhousie Univ.	IUOE	11/01/1997	06/30/2002	56		2.2	2.0	11/01/1997	2.0	07/01/1998	2.0	07/01/1999	Further 2% increase for each of July 1, 2000 and July 1, 2001.

COLLECTIVE BARGAINING
Nova Scotia

Summary of Collective Agreements
Public Sector

Employer	*Union*	*Start Date*	*End Date*	*Dur. (mon.)*	*# of Empl.*	*Avg. Annual Increase*	*1st Year*	*Effective Date*	*2nd Year*	*Effective Date*	*3rd Year*	*Effective Date*	*Significant Items*
Jurisdiction: HE													
Regional Health Boards	CUPE	11/01/1997	03/31/2001	41	3,000	2 5	3 1	11/01/1997	1 9	11/01/1998	1 9	11/01/1999	4th year increase of 1 5% effective April 1/00 100% wage parity over the term of the agreement In lieu of percentage increase effective Nov 1/97, employees earning less than $25,000 received a $750 lump sum payment
Regional Health Boards	CAW (Support Staff)	11/01/1997	03/31/2001	41	1,500	2 5	3	11/01/1997	1 9	11/01/1998	1 9	11/01/1999	Further 1 5% increase Apr 1, 2000 100% wage parity over term of agreement One time lump sum payment of $750 for employees earning less than $25,000 annually

SALARIES OF MEMBERS WHO HOLD OFFICE PURSUANT TO THE EXECUTIVE COUNCIL ACT AND THE HOUSE OF ASSEMBLY ACT

The Executive Council Act and the House of Assembly Act provide for salaries to be paid the Premier, Cabinet Ministers, the Speaker, the Deputy Speaker, the Leader of the Opposition and the Leader of a Recognized Party. All of these persons are MLAs. They are paid annual salaries in addition to the amount each receives for being an MLA. A review of these salaries falls within the mandate of this Inquiry.

The holders of all these offices are extremely busy people who carry a heavy workload to which great responsibility is attached. There is little doubt that in the private sector the management skills required to perform their tasks would provide a level of compensation much larger than that they are paid. There is no readily available comparable occupation in the private sector. From the information I have received, it is my view that the remuneration would range from middle to upper management. In the public sector, for the purposes of the present Inquiry, I have concluded that the best comparables are found by considering what other provinces currently pay similar office holders. The following **Table 6**, provides a summary of the salaries paid in those provinces for these several offices at October, 2000. From **Table 6**, I have chosen to compare Nova Scotia with the provinces of Newfoundland, New Brunswick, Prince Edward Island, Manitoba and Saskatchewan. The amount paid each office holder is ranked by number and shown on **Table 11,** at page 28:

Table 6
Indemnities & Allowances of Members of Provincial & Territorial Parliaments in Canada
August 2000

Province	Taxable MLA Indemnity	Non Taxable allowance	Speaker Salary	Deputy Speaker Salary	Premier Salary	Cabinet Minister Salary	Opp Leader Salary	Gov't House Leader	Opp House Leader	Gov't Whip Salary	Opp Whip Salary	Third Party Leader	*Minister without portfolio	*3rd Party Whip
Ontario	$78,007	nil	$24,338	$11,545	$61,860	$32,997	$43,060	$14,977	$14,275	$14,275	$10,921	$27,848	$14,977	$6,397
B.C.	$71,000	nil	$39,000	$19,500	$45,000	$39,000	$39,000	nil	$9,000	$9,000	$9,000	$19,500	$25,000	$6,000
NWT	$71,000		$25,000	$5,000	$54,000	$38,000	N/A	N/A	N/A	N/A	N/A	N/A		
Senate	$68,200	$10,700	38,100*1		$49,300		$25,000			$7,800	$4,800			
House of Commons	$68,200	$22,500	52,000	$27,200	$74,100	$49,300	$52,000		$25,000	$13,800	$13,800	$31,200		$7,800
Quebec	$63,317	$12,389	$47,488	$22,161	$66,483	$47,488	$47,488	$47,488	$22,161	$22,161	$18,995	$22,161		$9,498
Manitoba	$61,519	nil	$22,867	$7,623	$43,554	$27,223	$27,223	$7,623	$5,446	$5,446	$4,357	$21,778		$3,268
Sask.	$56,684	$4,638	$30,720	$10,240	$51,201	$35,841	$35,841	nil	$8,192	$8,192	$8,192	$17,921		$4,096
Alberta	$39,720	$19,860	$48,744	$24,372	$62,016	$48,744	$48,744		$10,368	$8,292	$6,216	$8,292	$21,660	$5,184
Nfld.	$39,568	$19,784	$41,443	$20,721	$56,042	$41,443	$41,443	nil	$20,721			N/A		
N.B.	$38,075.95	$15,230.38	25,499.74	$7,904.91	50,996.30	$33,998.24	$33,998.24	nil	nil	$5,000	$5,000	$12,000		$500
Nunavut	$36,748	$18,665	$57,916	$5,580	$62,975	$57,916	nil	nil	nil	nil	nil	nil		
PEI	$33,155	$10,050	$25,530	$12,765	$54,270	$38,335	$38,335	$5,180	$3,630	$3,055	$3,055	N/A		N/A
Yukon	$33,150	$15,601**	$7,049	$5,287	$28,971	$21,147	$21,147	nil	nil	nil	nil	$4,229		
N.S	$31,033.90	$15,516.95	$37,055	$18,533	$52,012	$37,055	$37,055	$5,500	$3,000	$85 x no. of MLAs	$85 x no. of MLAs	$18,533		

* - Separate Rate for Speakers/Ministers ($6,222)

** - Expense allowance for those resident in Whitehorse is $13,622

*1 - Speaker salary (Senate) $38,100 +$3,000 residence + $1,061.21 car allow +$10,900+pro tempore

Table 11

Premier

NFLD	56,042	1
PEI	54,270	2
NS	52,012	3
SASK	51,201	4
NB	50,996.30	5
MAN	43,554	6

Cabinet Minister

NFLD	41,443	1
PEI	38,335	2
NS	37,055	3
SASK	35,841	4
NB	33,998.24	5
MAN	27,223	6

Speaker

NFLD	41,443	1
NS	37,055	2
SASK	30,720	3
PEI	25,530	4
NB	25,499.74	5
MAN	22,867	6

Deputy Speaker

NFLD	20,721	1
NS	18,533	2
PEI	12,765	3
SASK	10,240	4
NB	7,904.91	5
MAN	7,623	6

Leader of the Opposition

NFLD	41,443	1
PEI	38,335	2
NS	37,055	3
SASK	35,841	4
NB	33,998.24	5
MAN	27,223	6

Leader of a Recognized Party

NS	18,533	1
SASK	17,921	2
PEI	n/a	3
NB	12,000	4
MAN	21,778	5
NFLD	No Provision	

After reviewing these tables, and being mindful of the need for fiscal restraint which bears heavily upon the Province at this time, I recommend that for the calendar year 2001, the salaries of the Members of the Executive Council and the other Statutory office- holders designated below be as follows:

I recommend:

R-2 *That beginning January 1, 2001, the salary of the Premier, under the Executive Council Act, be $53,572.36;*

R-3 *That beginning January 1, 2001, the salary of a Minister having charge of a Department, under the Executive Council Act, be $38,166.65;*

R-4 *That beginning January 1, 2001, the maximum salary for a Minister without Portfolio, under the Executive Council Act, be $38,166.65;*

R-5 *That beginning January 1, 2001, the salary of the Speaker, under the House of Assembly Act, be $38,166.65;*

R-6 *That beginning January 1, 2001, the salary of the Deputy Speaker, under the House of Assembly Act, be $19,088.99 (salary divided among 3 Deputy Speakers) and if there be an Assistant Deputy Speaker, the salary be $2,060;*

R-7 *That beginning January 1, 2001, the salary of the Leader of the Opposition, under the House of Assembly Act, be $38,166.65 (shared equally between both Opposition Leaders) and;*

R-8 *That beginning January 1, 2001, the salary of the Leader of a Recognized Party, under the House of Assembly Act, be $19,088.99 (shared equally between both Opposition Leaders).*

The Executive Council Act provides that Members of the Executive Council (Ministers) are entitled to be paid an amount sufficient to reimburse the Minister for reasonable expenses incurred for travel and accommodation in the discharge of official duties. After examining the provisions which are now in place and especially as determined by the Regulations of the Legislature Internal Economy Board, it is my opinion that they are satisfactory and should be continued at current levels for the calendar year 2001.

THE OFFICES OF THE LEADERS

The sums provided for support services in the caucus offices do not include the offices of the Leader of the Official Opposition or the Leader of a Recognized Third Party. The cost of maintaining and operating the office of the Leader of the Government falls under a separate budget item dealing with the Premier's Office.

The House of Assembly Act provides that there shall be certain staff levels for each of the offices of the Leader of the Opposition and the Leader of a Recognized Party. The current practice is that the budget is set for the offices of each of these leaders. In 2000 it is $269,000 for the Leader of the Official Opposition and $269,000 for the Leader of the Recognized Party. The move to a global sum is beneficial. It provides each Leader with more flexibility to determine the manner in which the money will be spent and the number of personnel to be employed. The adequacy of the existing level of financial support for 2001 must be left to the representations of each leader through the budgetary process.

The authority for the travel and other expenses of the Leaders of the Official Opposition and the Recognized Party are provided in Regulation 2000 of the Legislature Internal Economy Board. They seem satisfactory for continuation in 2001. If any change is warranted, I would defer to the decision of the Board.

THE OFFICE OF AN INDEPENDENT MEMBER

In Section 20 of the Board's Regulation 2000 an Independent Member is defined as a member who is not a member of a caucus receiving financial support in the manner provided by the Board for caucus offices.

Section 20(2) of Regulation 2000 states that an Independent Member shall be provided with the following:

(a) office space not exceeding three hundred square feet;
(b) one secretary at the Civil Service classification AS(13);
(c) office furniture necessary to furnish the office for the member and one secretary;
(d) one telephone line and;
(e) reasonable postage.

Issues which arise are referred to the Chair of the Legislature Internal Economy Board (the Speaker) for resolution.

An Independent member is reimbursed for telephone charges made from the office telephone relating to House or constituency business.

No current problems with respect to the support services provided an Independent Member have been brought to the attention of the Commissioner. The continuation of the existing provisions seems satisfactory.

CAUCUS OFFICES

There are three Caucus Offices being those of the Government, the Official Opposition, and the Recognized Third Party.

For the year 2000, provision was made by the Legislature Internal Economy Board in its Regulation 2000 Section 13, to provide a sum to each caucus office for support and services, including employment positions based upon $50,000 per Member.

Regulation 2000 Section 13, further provides that these amounts shall be increased by $50,000 for each member a caucus gains and reduced by $50,000 for each member a caucus loses.

Regulation 2000 Section 14 authorizes members attending caucus and task force meetings to recover travel and lodging expenses based in a prescribed number of such meetings in the calendar year.

I am informed that the work in the caucus offices has increased substantially in recent years and so has the cost of support services in both salaries and equipment. The action taken by the Board provides more flexibility for the caucus in meeting its particular needs. I am satisfied that this practice should continue in calendar year 2001.

THE OFFICERS OF THE HOUSE

There are four officers designated by the House of Assembly Act, PART VII, Sections 46 to 53. They are the Chief Clerk, the Assistant Clerk, the Legislative Counsel, and the Sergeant-at-Arms.

The Act provides that the Chief Clerk, the Assistant Clerk, and the Legislative Counsel, may be appointed by the Governor in Council. The Sergeant-at-Arms is appointed by the House pursuant to the Public Service Act but paid pursuant to Section 53 of the House of Assembly Act.

While historically the Statutory and Regulatory provisions have varied from time to time with respect to the salaries to be paid the Chief Clerk, the Assistant Clerk, and the Sergeant-at-Arms, subsection 44(3) of the House of Assembly Act provides that their salaries may be determined by the Legislature Internal Economy Board. This is the practice being followed at the present time. The supervision of their duties is subject to the control of the Board (Public Service Act, subsection 76(1)). Each of the Chief Clerk, Assistant Clerk, and Sergeant-at-Arms is a part time position.

Section 54 of the House of Assembly Act provides for the payment of reasonable expenses for travel and accommodation to the officers and staff of the House while absent from their ordinary place of residence in connection with the business of the House or representing the House, whether the House is in session or not. Provision is made for authorization by the Legislature Internal Economy Board or the Speaker for such expenses. The existing provisions appear to be adequate. Any changes or adjustments in 2001 should be in such manner and amount as the Board determines.

THE CHIEF CLERK

This is an extremely responsible position. The Chief Clerk manages the orderly flow and disposition of bills and documents that come before the House. It requires a person skilled in and knowledgeable of the parliamentary process. The time commitment has increased over the years resulting from the obligation in Nova Scotia to hold two sessions of the House each year. In addition the House has days of extended hours each session. The position of Chief Clerk has been accurately described as unique in the parliamentary process.

As of January 1, 2000, in all provinces except Nova Scotia, the Chief Clerk is a full time position and holds the status of a Deputy Head. In Nova Scotia the Chief Clerk continues to be part time. Where the Chief Clerk is full time, the incumbent has extensive supervision and direction over the administrative process of the House.

In Nova Scotia the reporting process is somewhat unique in that many of those who are in charge of special areas of expertise such as the Editor of Hansard, the Chief Legislative Librarian, the Coordinator of House of Assembly Operations, the Coordinator of Legislative Television, and others, report directly to the Speaker. Where the Chief Clerk is full time, those who have specialized administrative functions report to the Chief Clerk.

My inquiries lead me to the conclusion that for now, the systems in place are working well and as a result Nova Scotia is operating in a manner that is economical from a cost basis and efficient from an administrative perspective. While the number of reporting groups under our present system adds to the duties of the Speaker, I have concluded that it is not so burdensome that an administrative change is necessary at this time. However, it is obvious, that this is an area which needs to be monitored. The time may come when more serious consideration will be necessary to make the position of the Chief Clerk one of full time occupation. The salaries paid full time clerks in other jurisdictions fall in ranges approximating two to three times that which is paid the part-time incumbent in Nova Scotia.

The current annual salary of the Chief Clerk is $43,697.75. This, subject to ratification by the Board, was recommended by the 1993 Inquiry Commission to be effective for the year 1994. The Board has continued that rate of pay. It, of course, was subject to the 3% rollback. It was reinstated on November 1, 1997, after the rollback was lifted. The Board also provides that the Chief Clerk receives a per diem while the House is sitting and when the business relating to the position requires his attention on other occasions. The Board also authorizes the Chief Clerk be paid travel and other reasonable expenses associated with the office. The Board has made provision for the Chief Clerk to become a member of benefit plans that are available to members of the House.

I am impressed by the concern and serious attention of the Legislature Internal Economy Board to matters that include the salaries and benefits of those such as the Chief Clerk who are responsible for the orderly operation of the business of the House. I am satisfied that the Board should determine the salary of the Chief Clerk, beginning January 1, 2001. I recommend,

R-9 *That beginning January 1, 2001, that the Legislature Internal Economy Board, determine the salary of the Chief Clerk of the House of Assembly at $45,008.68.*

ASSISTANT CLERK

As the title suggests, the Assistant Clerk is by Statute an essential and necessary officer of the House. Although the duties and responsibilities are not as extensive as those of the Chief Clerk, they are nonetheless demanding and especially in the absence of the Chief Clerk or on those occasions where the Chief Clerk is otherwise occupied by the business of the House. Even when the Chief Clerk is present, the Assistant Clerk must see to it that all the administrative details of the House are handled accurately and performed expeditiously. It requires a person of skill and knowledge of the affairs of the House and one upon whom the Speaker and members can depend with confidence.

The incumbent is a lawyer who is in the employ of the office of the Legislative Counsel. His duties as a servant of the House, take him away from his regular duties. Consideration should be given to the pattern of the House sitting two sessions each calendar year, and the number of days of extended hours, which have been a regular occurrence each session.

It is important to observe that both the incumbent Chief Clerk and the Assistant Clerk enjoy the confidence and respect of the Speaker and the members of the House. In the case of the Assistant Clerk this is reflected by the Resolution of the House and subsequent Order in Council that on May 29, 1998, made permanent his position as Assistant Clerk.

The 1993 Inquiry recommended, subject to ratification by the Board, the Assistant Clerk be paid a per diem to be set by the Chair of the Board. The Board responded by fixing a per diem for each day the House sits plus reasonable attending expenses.

In my opinion the policy adopted by the Board is a suitable way to compensate the Assistant Clerk for the calendar year 2001.

SERGEANT-AT-ARMS

On May 28, 1998 the then incumbent received a permanent appointment as Sergeant-at-Arms. This is not a full-time position. His work is principally one of performing ceremonial functions while the House is sitting. However, he is also responsible for the security of the House and its members which is an equally significant job function.

Since 1983, by Order in Council, the salary of the Sergeant-at-Arms may be set by the Legislature Internal Economy Board. Section 24 of Regulation 1998 of the Legislature Internal Economy Board provides that the Sergeant at Arms be paid $150.00 per sitting day or $17,000 per annum, whichever is greater. Provision is made for his reasonable travelling and related expenses. In addition he is entitled to participate in benefit plans. The Internal Economy Board Regulation 2000 no longer contains a provision respecting the Sergeant-at Arms. It would appear that the Legislature Internal Economy Board has determined that Section 44(3) provides sufficient authority to provide for compensation to the Sergeant-at-Arms.

I recommend,

R-10 That beginning January 1,2001, the Legislature Internal Economy Board, determine the remuneration of the Sergeant-at-Arms at $150.00 per sitting day or $17,510.00 per annum, whichever is greater.

LEGISLATIVE COUNSEL

Subsection 52 (1) of the House of Assembly provides for the appointment, by the Governor in Council, of the Legislative Counsel. Subsection (2) states the Legislative Counsel shall be paid a salary as determined by the Governor in Council.

This is a position of great responsibility to the Speaker and every member of the House. The duties are broadly based. Rules 78 and 79 of the Rules and Forms of Procedure of the House of Assembly provide an overview of these duties.

> *78 It shall be the duty of the Legislative Counsel*
>
> *(a) to prepare and advise upon such legislation as may be required by the*
>
> *Executive Council or any Member thereof;*
>
> *(b) to prepare amendments made by Select or Standing Committees, or in Committee of the Whole House;*
>
> *(c) to report to the Governor in Council any provisions in any Bill deserving of special attention or which may, in his opinion, prejudicially affect the public interest;*
>
> *(d) to, prior to its introduction, provide the Speaker with a copy of any Private Member's Bill that appears to be a money Bill;*
>
> *(e) to examine every Public Bill after its first reading in the House, and in case the Bill appears to him incorrect in any particular, to consult the Member introducing the same and, if the bill is read a second time, to recommend to the committee to which the Bill is referred such alterations as may be deemed advisable;*
>
> *(f) to report to the Chairman of the Private and*

Local Bills which are at variance with general Acts on the subject to which such Bills relate or with the usual provisions of Private Acts on similar subjects;

(g) to supervise the printing and arrangement of all Bills;

(h) wherever possible, to put marginal notes or headers on all Acts and to prepare an index of the same for the annual volume of Statutes.

79 All Bills shall be submitted to the Legislative Counsel before introduction and no Bill shall be introduced in te House until the Legislative counsel approves such Bill as to form.

It is evident the position requires the professional skill and expertise of an experienced lawyer. The Legislative Counsel must be one who is sensitive to the needs of all members of the House. Legislative Counsel must perform the duties in a manner that gains the utmost confidence of the Speaker and all members of the House of Assembly.

An Order in Council was passed following the Report of the Inquiry Commission of 1983 that enabled the Legislature Internal Economy Board to determine the salary for this position. The salary of the present incumbent was under review when the Inquiry Commission Report of 1993 was filed. In May 1997, the appointment of the present incumbent was made permanent with the salary to be determined by the Legislature Internal Economy Board within the Management Compensation Pay Plan at the Deputy Minister scale.

I am satisfied the action taken in 1997 is appropriate both as to the level of the position within the structure of the Public Service and the method by which an appropriate salary is affixed. In my opinion the salary and benefits provided for the Legislative Counsel should continue in 2001 to be as determined by the Legislature Internal Economy Board.

LEGISLATURE INTERNAL ECONOMY BOARD

The Legislature Internal Economy Board is a statutory board created by the Public Service Act. Its composition is determined by Section 77 of the Act:

> *The Legislature Internal Economy Board consists of the Speaker of the House of Assembly, the Government House Leader, the Chair of the Priorities and Planning Committee of the Executive Council, the Minister of Finance, the Deputy Speaker, the Chairman of the Government Caucus, one member from the caucus of the party of the Leader of the Opposition and one member from the caucus of the party of each leader of a recognized party as defined in the House of Assembly Act, such member to be chosen by each such caucus.*

The following are the members currently serving on the Board:

The Speaker	Honourable Murray K. Scott
Minister of Finance	Honourable Neil J. LeBlanc
Government House Leader	Honourable Ronald S. Russell, C.D.
Chairman Priorities & Planning Secretariat	Honourable Ronald S. Russell, C.D.
Chairman Government Caucus	Mr. Tim Olive, MLA
Government Deputy Speaker	Mr. Brooke Taylor, MLA
N.D.P. House Leader	Mr. John Holm, MLA
Liberal House Leader	Mr. Manning MacDonald, MLA

By Section 78 of the Act the Speaker is the Chair of the Board. By invitation, the Chief Legislative Counsel serves as Secretary and the Director of Administration in the Office of the Speaker provides administrative assistance. The Board is obliged to prepare an estimate of its proposed actual and contingent expenditures on a annual basis and present the same to the House. The powers and duties of the Board are set forth in Section 80 of the Act:

> *All matters relating to the issuing of orders or requisitions, the passing of accounts and the general expenditure of moneys in connection with the House, other than members' indemnity, shall be dealt with and settled by the Board.*

Section 80 gives the Board broadly based powers with respect to the expenditures of money. Other than members' indemnity it has the authority to deal with and settle "*the general expenditure of moneys in connection with the House...*".

The decisions of the Board are incorporated and recorded in the regulations it adopts. The current and most recent regulations are described as 2000. A copy of each of these is attached to this report as Appendix D.

While the jurisdiction of this Inquiry does not extend to include the imposition of changes to the Regulations, I have been asked to review the allowances which the Board has authorized. This includes the right to propose any changes which the Board may which to consider. There are a few in this report which fall in the latter category.

As a result of my study and examination of the existing Regulations, including the representations which have been made to the Inquiry, my general conclusion is that the Board is alive to the needs of the members, and thereby the House.

Except where I have flagged a few items for the consideration of the Board, it is my opinion that the provisions that now exist are adequate for calendar year 2001. From all that I can ascertain the Board is acting both responsively and responsibly in the decisions it has made concerning "*the general expenditure of moneys in connection with the House*".

COMMITTEES AND BOARDS OF THE HOUSE

Members are not paid for the time they spend while serving on Committees and Boards of the House.

The Internal Economy Board has, by Section 10 of Regulation 2000, established the following scale of payments to the Chairs of certain Committees and Boards.

(a)	Law Amendments Committee	$1,500.00;
(b)	Private and Local Bills Committee, Industry Committee and Public Accounts Committee	$1,000.00;
(c)	all other Standing Committees of the House	$ 500.00;
(d)	each Special Committee and each Select Committee	$1,500.00;
(e)	Legislature Internal Economy Board	$1,500.00

While serving on Committees when the House is not sitting, or meeting outside the Halifax-Dartmouth metropolitan area, a Member is entitled to be reimbursed for travel and sleeping accommodation, all of which is more particularly described in the regulations of the Board.(See Regulation 2000, Section 11).

I propose that for the calendar year 2001:

P-1 That the Legislature Internal Economy Board, effective January 1, 2001, establish the following scale of payments to the Chairs of those Committees and Boards set forth herebelow:

(a) Law Amendments Committee	*$2,000.00*
(b) Public Accounts Committee	*$2,000.00*
(c) Private and Local Bills Committee and the Industry Committee	*$1,500.00*
(d) All other standing Committees of the House	*$1,000.00*
(e) Each Special Committee and each Select Committee	*$1,500.00*
(f) Legislature Internal Economy Board	*$2,000.00*

HOUSE LEADERS

The following amounts, paid annually, were established by the Legislature Internal Economy Board effective January 1, 2000:

	House Leader	$5,500
	Deputy Government House Leader	$3,000
*	House Leader (Official Opposition)	$3,000
*	House Leader (Recognized Party)	$2,000

I propose that for the calendar year 2001:

P-2 That effective January 1, 2001,
(a) the Government House Leader be paid $6,500.00
(b) the Deputy Government House Leader be paid $3,000.00
(c) the House Leader (Official Opposition) be paid $4,000.00*
(d) the House Leader (Recognized Party) be paid $2,000.00*

** Due to the fact that the two Opposition Parties have an equal number of members the Legislature Internal Economy Board has determined that each Opposition Leader receive the amount on one half the total established for the House Leader (Official Opposition) and House Leader (Recognized Party).*

WHIPS AND CAUCUS CHAIRS

The following amounts, paid annually, were established by the Legislature Internal Economy Board by Internal Economy Board Regulation 2000:

Whip of each Recognized Party	$85.00 x number of members of the party
Caucus Chair of each Recognized Party	$100.00 x number of members of the party

These changes were made as a result of the Report of the Commission of Inquiry on Remuneration of Elected Provincial Officials dated November 30, 1998.

I propose that for the year 2001:

P-3 *That the Legislature Internal Economy Board review the calculation of the amount that is payable to the Whip of each Recognized Party and the amount that is paid to the Caucus Chair of each Recognized Party, and for the year January 1, 2001, increase the amounts to more adequately reflect the time and responsibility imposed upon the Whips and the Caucus Chairs. No change has been made in these amounts since November 1998.*

CONSTITUENCY MATTERS

Members incur considerable expenses in maintaining contact with and providing effective service to their constituents.

All of this costs money which, without assistance, would be beyond the financial ability of a member to provide.

The financial assistance available to members for constituency matters is set forth in the Regulations of the Legislature Internal Economy Board. Particular reference is made to Sections 21 and 22 of Regulation 2000.

For travel within the constituency, an outside member receives $4,400 each year and a member who is not an outside member receives $3,300. A member receives $500 per month which is non-accountable and a further sum of $2,900 per month which is accountable with receipts to provide for office space, meeting places, equipment, telephone, telephone answering services, advertising and secretarial services.

An outside member of the House is defined by Clause 2 (e) of the House of Assembly Act as one " who is ordinarily resident within the meaning of the Elections Act more than 25 miles distant from the place where the House ordinarily sits".

This funding makes it possible for the member to provide services for constituents to have local access to the member and for the member's staff to deal with the many and varied problems with the Legislative process. During the course of this Inquiry it has become evident to me that these services are absolutely necessary and operate to the advantage of all constituents. Staff persons are knowledgeable and helpful. They provide a required link between the member and the constituents and in that way those who govern Nova Scotia in all capacities.

CONSTITUENCY OFFICES

Some members have told me that these allowances are inadequate to meet present day needs. They say that the financial assistance does not permit them to employ full time staff at the going rate of pay with the result that many staff members effectively subsidize the work of the constituency office by accepting a lower rate of pay. Otherwise, the member must personally pay for the shortfall.

Outside Members and some non-outside Members have brought to my attention the fact that the land mass of the electoral districts which they represent is so large that in order to serve their constituents it is necessary to establish at least two, and in some instances three, constituency offices.

Those who require more than one office are confronted with a substantial additional cost for salaries, rents and equipment. These members maintain the allowance now provided under the Regulations is inadequate to address their needs with the result that the members are obliged to either reduce the hours such offices are open to constituents or personally subsidize the costs involved, or both.

I have been urged to propose to the Legislature Internal Economy Board that extra financial assistance be made available for these special circumstances. While I have sympathy and understanding for the practical problems which confront these members, I am unable to review the bounds of each electoral district and make any firm proposals for the consideration of the Board, save to flag the problem which in some districts I have been informed is real and pressing. Where the Board is of the opinion that the need for more than one constituency office exists, it might be prepared to provide additional accountable financial assistance.

The increased amounts of monthly non-accountable and accountable expense provisions provided for each member in 2000 have provided some much needed financial assistance for each member. However from what I have been informed the costs of services, salaries and equipment have escalated requiring the Board to be vigilant of the need to adequately provide service to all constituents in each constituency.

I am satisfied that the Legislature Internal Economy Board as these matters well in hand.

MEMBERS' RETIRING ALLOWANCES ACT

The Plan

A convenient summary of the provisions of The Plan is set forth in the

PROVINCE OF NOVA SCOTIA
THE ACCOUNTS ESTABLISHED UNDER
THE MEMBERS' RETIRING ALLOWANCES ACT
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED MARCH 31, 2000

1. Authority and Description of Plans

Members of the House of Assembly are entitled to receive allowances pursuant to provisions of the Members' Retiring Allowances Act. The Act, as amended November 25, 1993, establishes in the Consolidated Fund of the Province a Members' Retiring Allowance Account and the Members' Supplementary Retiring Allowance Account to which members and government contributions and interest are credited, and payments to pensioners and terminating members are charge. If at any time the balances of the accounts are insufficient to make payments, an amount will be credited to the accounts from the Consolidated Fund.

Members contribute 10% of indemnities, allowances and salaries and the Province contributes and equal amount. Contributions cease after 15 years. Pensions are paid on the basis of the average indemnities, allowances and salaries for the three highest years, at the rate of 5% for each year for which contributions were made. As of November 25, 1993 there is no longer a minimum retirement allowance.

A member qualifies for benefits on ceasing to be a member after having served five years during two or more General Assemblies, and having attained age 55 (increased from age 50 as of November 25, 1993). Former members who qualify for a retiring allowance may make application for an actuarially reduced allowance as early as 45 years of age (increased from age 40 as of November 25, 1993). Retiring allowances are increased annually on January 1 by the lesser of the increase in the consumer price index or 6%.

2. Significant Accounting Policies

In accordance with the provisions of the Members' Retiring Allowances Act this financial statement has been prepared on a modified cash basis of accounting. Contributions to the accounts are recorded when received and allowances and refunds are recorded in the accounts when paid. An amount representing interest on the balances in the accounts is calculated and credited to the accounts annually.

For reporting purposes, the contributions and allowances under the Members' Retiring Allowance Account and the Members' Supplementary Retiring Allowance Account are combined.

3. Actuarial Valuation

Actuarial valuations of benefits under the Members' Retiring Allowances Act are carried out periodically and provide an estimate of liabilities as at the valuation date, calculated on the basis of various assumptions with respect to pension plan costs and interest rates. The latest actuarial evaluation was conducted by Eckler Partners Ltd. based on information as of September 30, 1998.

The actuarial valuation projects liabilities for each member on the basis of service earned to that date and the projected average indemnities, allowances and salaries at the date of retirement.

The valuation indicated that at December 31, 1999 the accounts had actuarial liabilities of $43,305,700. The liability accounts at the same date had balances totalling $45,387,400 giving rise to an accounting surplus of $2,081,700. The valuation was based on the following key assumptions.

Investment earnings	-	pre-retirement rate of 7.5%
	-	post-retirement rate of 4.37% (net of assumed pensioner cost-of-living increases per annum)
Salary escalation	-	3% per annum
Cost of living escalation	-	3%

During the year, the Province made additional contributions of $868,529 (1999-$781,995). This was based on the December 31, 1999 valuation which indicated that the Province would be required to contribute 42.4% of total payroll (indemnities, allowances and salaries) of contributing members, including the 10% matching portion.

An Eckler Partners Ltd. prepared estimate as at March 31, 1999, calculated the surplus in the accounts at $2,238,213. The accounts were adjusted to reflect this revised estimate of actuarial values.

The Account

The Department of Finance has provided the Commission with **Table 12** which follows. It reflects a statement of the Members' Retiring Allowances Account as of March 31, 2000.

Table 12

PROVINCE OF NOVA SCOTIA
STATEMENT OF THE ACCOUNTS ESTABLISHED UNDER THE MEMBERS' RETIRING ALLOWANCES ACT
FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999
Balance, beginning of year	$43,668,800	$43,904,000
Add:		
Standard contributions		
Members	294,034	264,187
Government	294,035	264,187
Interest	3,653,957	3,661,259
Additional government contributions (Note 3)	868,529	781,995
	5,110,555	4,971,628
Deduct:		
Allowances (pensions)	2,731,572	2,604,090
Professional services	9,132	8,746
Refunds - contributions	76,672	331,477
- interest	1,766	31,679
Actuarial adjustment (Note 3)	2,238,213	2,230,836
	5,057,355	5,206,828
Balance, end of year	$43,722,000	$43,668,800
Note: Number of contributors during the year	69	47
Number of persons receiving allowances during the year	104	98

Income Tax Implications

Members' contributions attributable to indemnity and salary are tax deductible but contributions based on the allowance for expenses are not tax deductible. The Pension Plan is subject to the requirements of the Income Tax Act (Canada) in respect of Registered Pension Plans. The result is that contributions made to the Plan by members qualify as a deduction from taxable income with the exception, as noted, of the contributions attributable to the non-taxable allowance for expenses. In addition the Registered Pension Plan may not deliver Pension benefits greater than those established by the Income Tax Act.

MLA Pension Plans - Other Jurisdictions

The Members' Retiring Allowances Act of Nova Scotia is a contributory Defined Benefit Pension Plan. It is not integrated with the Canada Pension Plan. As the Commission to Review Allowances of Members of Parliament *Supporting Democracy* volume 2 points out, at page 121, there are two main types of Pension Plans, namely Defined Benefit Plans and Defined Contribution Plans:

Defined Benefit Plan -	Under this type of plan, the benefit at retirement is calculated by means of a formula linked to salary and years of membership in the plan. This defines the Members' Retirement Allowances Plan and also the Public Service Superannuation Fund Plan.
Defined Contribution -	Under this type of plan, employer and employee contributions are fixed in advance, generally as a percentage of salary, and are invested in a fund. At retirement a pension plan is purchased, based on annuity rates at the time of purchase. This type of plan encompasses registered defined contribution plans, money purchase plans and group registered retirement savings plans.

Table 13 below illustrates the advantages and disadvantages of each plan. Its source is the Commission to Review Allowances of Members of Parliament *Supporting Democracy*, volume 2 at page 123:

Table 13

Defined Benefit Plans	
Advantages	Disadvantages
• benefit based on fixed formula related to income before retirement • employees insulated from economic and financial risks, especially if plan fully indexed • efficient investment of funds through professional long-term investment	• risks of poor performance allocated to plan sponsor • plan members do not share in superior investment performance • plan members terminating before retirement may lose out (less of a concern in an indexed plan) • less advantageous to short-term employees • less transparency of costs, as this requires actuarial valuation, which depends on a number of actuarial assumptions

Defined Contribution Plans	
Advantages	Disadvantages
• employer cost fixed in advance • employee benefits from superior investment performance • generally more advantageous to employees terminating before retirement • greater transparency of costs, as these are stated explicitly, without need for actuarial valuation	• employee bears economic and financial risks • pension as function of pre-retirement income can only be estimated and will fluctuate widely depending on financial conditions • rate of return tends to be lower than in defined benefit plans because of individuals' lack of long-term horizon and retail-level investment

Both Defined Benefit Plans and Defined Contribution Plans may be contributory or non-contributory on behalf of the members. A number of the jurisdictions have a Defined Benefit Plan. These include Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland, Quebec, Saskatchewan and the Federal Parliament. Ontario has what is sometimes referred to as a Money Purchase Plan but this is in effect a non-contributory contribution plan. Under the Ontario provision the Government contributes 5% annually based on the remuneration paid to the members and this is invested. Manitoba has an arrangement whereby the Members contribute to an RRSP plan and the Government matches the members' contribution at the rate of 7% per annum. British Columbia has what is referred to as a group RRSP. In this particular situation there would be only one carrier, whereas with other RRSP plans the member could determine who the carrier of the RRSP is. As a result of the Report of the Commission to Review Allowances of Parliament *Supporting Democracy* Federal Members of Parliament may either subscribe to the Defined Benefit Plan or opt out in favour of an RRSP. Alberta has withdrawn completely from providing pensions for its Members and thus there is no pension plan for Members of the Alberta Assembly.

Findings

As one can see from the foregoing, the question of pensions for Members is a very large and complicated matter. The objective of any pension plan is to provide members with sufficient income in retirement to replace most of their pre-retirement income, after taking into account pensions from other public sources and income from personal savings and investments.

Altering any of the material benefits of the pension plan, either upward or downward, requires a detailed and minute analysis, not the least of which relates to the cost factors involved. Tinkering with the provisions of the present plan without such an analysis can only lead to unpredictable and most likely unsatisfactory results.

This matter requires a time-consuming and careful study which cannot be done in the short time given to the Commission. Therefore, I recommend:

R-11 That the subject of the Members' Retiring Allowances be the subject of a separate study at such time as is determined by the Speaker.

Re Section 45 of the House of Assembly Act, Chapter 1(1992 Supp) Revised Statutes of Nova Scotia 1989

Concern has been expressed by a number of persons respecting the practice and procedure incorporated in Section 45 of the House of Assembly Act, namely that the reviews are too frequent and that the costs associated with the reviews, more particularly advertising and salaries are inappropriate.

Section 45 of the House of Assembly Act was originally enacted and assented to by the House of Assembly on June 1, 1983 as Section 43 A of Chapter 128 of the Revised Statutes 1967 the House of Assembly Act. The object and purpose of the new Section 43A was to ensure that the Members of the Legislature did not set their own remuneration. In previous years, the Members voted their remuneration each year and prior to that each session. Originally the Members were paid what is paid a *sessional indemnity* for each session the House sat. When the House began to sit more than once a year, the Members voted themselves an indemnity and a tax free allowance for the calendar year. In 1977 and 1982 a Commission of Inquiry was appointed pursuant to the Public Inquiries Act to recommend the remuneration of Members. These recommendations were implemented by a vote of the House. The new Section 43 A, now Section 45 of the present House of Assembly Act, changed that practice. In addition it went one step further in that the recommendations of the Commissioner had to be implemented by the Speaker without any further action. The recommendations of the Commissioner would apply from the first day of January in the year immediately following the December date when the Commissioner reported.

It is my view that the principle concepts behind Section 45 is that the Members should not set their own remuneration. This is not the practice in a number of the legislatures across the country including the Parliament of Canada. In a great number of those bodies the legislature still sets the indemnity and remuneration.

From the concerns raised it may well be time to review Section 45 and its object, purpose and the procedures that are used to determine the remuneration of Members and staff of the House of Assembly.

I am therefore recommending to the Speaker that pursuant to Section 45, sometime early in the year 2001, that he use his discretion to appoint a Committee to review the purpose, object and methodology with respect to the setting of Members remuneration. In addition that a base starting remuneration be established by this Committee and that consideration be given to some methodology whereby it will not be necessary to have a Commission each year, thus this will save the administrative costs of such an inquiry. Without knowing what the Committee might recommend it is my present view that the results of such a Committee, if it were to recommend a new procedure, or changes in the present practice, would require an amendment to the House of Assembly Act, particularly as it relates to Section 45.

Therefore I recommend that:

R-12 *That early in the year 2001 the Speaker pursuant to Section 45, appoint a Commission composed of such number of persons as he might determine but not fewer than four persons, one of whom is nominated by the Leader in the House of Assembly of each party in the House of Assembly, such nominee not being a sitting Member of the House at the time of nomination, nor during the time of being a Commissioner, and an Independent Chairperson. Such Commission to review the purpose, intent and the methodology used with respect to Section 45 of the House of Assembly Act, including the scope of the Commission, and to report back to the Speaker with respect to any changes that may be required in Section 45 of the House of Assembly Act as well as making recommendations with respect to Indemnities, Allowances and Salaries to be paid pursuant to the House of Assembly Act and the Executive Council Act and the criteria to be taken into consideration to determine those Indemnities, Allowances and Salaries in subsequent years so that a review of these Indemnities, Allowances and Salaries is not required each year as is now the case.*

CONCLUSION

The Commission is grateful to all those who expressed their views and opinions by letter, telephone, facsimile, oral or written submissions.

Many matters were brought to the attention of the Commission. While not every one has been dealt with in this Report, most have.

It is essential that the manner by which the remuneration paid members and those who serve in Executive positions be determined through an open and public process. It is evident from what the Commission has been told that Nova Scotians wish it to be that way. We must achieve a level of pay that will continue to attract talented men and women to offer their time to serve our Province.

After the salary recommendations in this Report are implemented and the proposals given due consideration, it is not a matter of boast that by comparison to other provinces and territorial jurisdictions in Canada, the remuneration our members receive will continue to rank fifteenth out of fifteenth. Members with whom the Commission has met recognize that during this period of fiscal restraint increases which otherwise would be appropriate, must be reasonable and in keeping with the Province's ability to pay.

I note that all of the recommendations and the proposals of the Commissioner recommended in the December 1, 1999 Report have been implemented. The composition of the present House of Assembly has run into an unusual situation in that both Opposition Parties have an equal number of members. The Legislature Internal Economy Board, in its wisdom has solved this problem, along with the Leaders of the two Opposition Parties by taking the salary of the Leader of the Opposition and the salary of the Leader of a Recognized Party and adding them together and dividing by two. This is the compensation that is received by the Leaders of the two Opposition Parties in the House with respect to House duties. The result is that the total salary for the Leader of the Opposition and the Leader of a Recognized Party does not exceed that recommended by the Commissioner in his Report on December 1, 1999. In the same vein, the Legislature Internal Economy Board has taken the annual payment to the House Leader of the Official Opposition and the annual payment to the House Leader of the Recognized Party added these together and divided by two. The result is that the total paid to Opposition House Leaders does not exceed that recommended by the Commissioner in the December 1, 1999, Report.

SUMMARY OF RECOMMENDATIONS

The Commissioner makes the following Recommendations:

R-1 That in the calendar year 2001, beginning January 1, Members of the Legislature receive an Indemnity of $31,964.92 and a non-taxable allowance of $15,982.46. The result is that a Member will receive in 2001 the basic amount of $47,947.38;

R-2 That beginning January 1, 2001, the salary of the Premier, under the Executive Council Act, be $53,572.36;

R-3 That beginning January 1, 2001, the salary of a Minister, having charge of a Department, under the Executive Council Act, be $38,166.65;

R-4 That beginning January 1, 2001, the maximum salary for a Minister without portfolio, under the Executive Council Act, be $38,166.65;

R-5 That beginning January 1, 2001, the salary of the Speaker, under the House of Assembly Act, be $38,166.65;

R-6 That beginning January 1, 2001, the salary of the Deputy Speaker, under the House of Assembly Act, be $19,088.99 (*salary divided among 3 deputy speakers*) and if there be an assistant Deputy Speaker, the salary of the Assistant Deputy Speaker, be $2,060.00;

R-7 That beginning January 1, 2001, the salary of the Leader of the Opposition, under the House of Assembly Act, be $38,166.65 *(shared equally between both Opposition Leaders)*;

R-8 That beginning January 1, 2001, the salary of the Leader of a Recognized Party, under the House of Assembly Act, be $19,088.99 *(shared equally between both Opposition Leaders)*;

R-9 That beginning January 1, 2001, that the Legislature Internal Economy Board determine the salary of the Chief Clerk of the House of Assembly at $45,008.68;

R-10 That beginning January 1, 2001, the Legislature Internal Economy Board determine the remuneration of the Sergeant-at-Arms at $150.00 per sitting day or $17,510.00 per annum, whichever is greater;

R-11 That the subject of the Members' Retiring Allowances be the subject of a separate study at such time as is determined by the Speaker;

R-12 That early in the year 2001 the Speaker pursuant to Section 45, appoint a Commission composed of such number of persons as he might determine but not fewer than four persons, one of whom is nominated by the Leader in the House of Assembly of each party in the House of Assembly, such nominee not being a sitting Member of the House at the time of nomination, nor during the time of being a Commissioner, and an Independent Chairperson. Such Commission to review the purpose, intent and the methodology used with respect to Section 45 of the House of Assembly Act, including the scope of the Commission, and to report back to the Speaker with respect to any changes that may be required in Section 45 of the House of Assembly Act as well as making recommendations with respect to Indemnities, Allowances and Salaries to be paid pursuant to the House of Assembly Act and the Executive Council Act and the criteria to be taken into consideration to determine those Indemnities, Allowances and Salaries in subsequent years so that a review of these Indemnities, Allowances and Salaries is not required each year as is now the case.

The Commissioner makes the following Proposals:

P-1 That the Legislature Internal Economy Board, effective January 1, 2001, establish the following scale of payments to the Chairs of those Committees and Boards set forth herebelow:

(a) Law Amendments Committee	$2,000.00
(b) Public Accounts Committee	$2,000.00
(c) Private and Local Bills Committee and the Industry Committee	$1,500.00
(d) All other standing Committees of the House	$1,000.00
(e) Each Special Committee and each Select Committee	$1,500.00
(f) Legislature Internal Economy Board	$2,000.00;

P-2 That effective January 1, 2001,
(a) the Government House Leader be paid $6,500.00
(b) the Deputy Government House Leader be paid $3,000.00
(c) the House Leader (Official Opposition)* be paid $4,000.00
(d) the House Leader (Recognized Party)* be paid $2,000.00

** Due to the fact that the two Opposition Parties have an equal number of members the Legislature Internal Economy Board has determined that each Opposition Leader receive the amount of one half of the total established for the House Leader (Official Opposition) and House Leader (Recognized Party).*

P-3 That the Legislature Internal Economy Board review the calculation of the amount that is payable to the Whip of each Recognized Party and the amount that is paid to the Caucus Chair of each Recognized Party, and for the year January 1, 2001, increase the amounts to more adequately reflect the time and responsibility imposed upon the Whips and the Caucus Chairs. No change has been made in these amounts since November 1998.

APPENDICES

	Letter	Page
House of Assembly Act, Section 45	A	61
Letter of Appointment	B	62
Published Notice	C	63
Legislature Internal Economy Board Regulation 2000	D	64

Inquiry into salaries and allowances

45 (1) The Speaker, after appropriate consultation, shall on or before the first day of October in each year appoint persons to make an inquiry and a report respecting the indemnities, allowances and salaries to be paid pursuant to this Act, the *Executive Council Act* and the *Members' Retiring Allowances Act*.

Powers, privileges, immunities

(2) The persons appointed pursuant to subsection (1) have all the powers and privileges and immunities of a commissioner pursuant to the *Public Inquiries Act* and shall complete their inquiry and deliver their report containing recommendations to the Speaker on or before the first day of December in the year in which they are appointed.

Implementation of recommendations

(3) The Speaker, upon receipt of the report containing the recommendations of the persons appointed pursuant to subsection (1), shall cause the recommendations to be implemented and they have the same force and effect as if enacted by the Legislature and are in substitution for provisions of this Act, the *Executive Council Act* and the *Members' Retiring Allowances Act*, as the case may be.

Application of recommendations

(4) The recommendations apply, from the first day of January immediately following the year in which the persons are appointed to make the report, until subsequently changed. R.S. (1992 Supp.), c. 1, s. 45.

62

B

The Speaker
House of Assembly
Nova Scotia

September 14, 2000

Mr. Graham D. Walker, Q.C.
30 Nightingale Drive
Halifax, Nova Scotia
B3M 1V4

Dear Mr. Walker:

Please accept this letter as confirmation of your appointment as Commissioner pursuant to section 45 of the House of Assembly Act R.S.N.S. 1992 (c) (1), to make an inquiry and a report respecting indemnities, allowances and salaries to be paid in accordance with the House of Assembly Act, Executive Council Act and the Retired Members' Allowances Act.

I appreciate that you are willing to undertake this task and look forward to receiving your report on or before December 1, 2000, as required by the Act.

Yours sincerely,

Murray Scott
Speaker

MS:nk

PO Box 1617, Halifax
Nova Scotia, Canada B3J 2Y3
Bus 902 424-5707 *Fax* 902 424-0526

C

Notice of Review
and Hearings

Nova Scotia

COMMISSION OF INQUIRY

A Commission of Inquiry has been appointed to consider and report upon indemnities, allowances, and salaries to be paid pursuant to the House of Assembly Act, the Executive Council Act, and the Members' Retiring Allowances Act.

This includes a review of salaries, expenses and pensions for MLAs, Cabinet Ministers and Party Leaders.

Submissions will be received on or before October 31, 2000:

Commission of Inquiry
Granville Level, Joseph Howe Bldg
P.O. Box 1617
Halifax, NS B3J 2Y3
Tel: (902) 424-2266
Fax: (902) 424-2404

Public Hearings will be held at Halifax only, in the Red Chamber, Province House on:

Tuesday, October 17, 2000 - 10:00 am to 12:00 noon
- 2:00 pm to 5:00 pm

Tuesday, October 24, 2000 - 10:00 am to 12:00 noon
- 2:00 pm to 5:00 pm

Saturday, October 28, 2000 - 10:00 am - 1:00 pm

Those wishing to make a submission at a public hearing should inform the Commission at the address above in writing, and include a name, address, and telephone number, where the person wishing to make the submission may be contacted.

Graham D. Walker, Q.C.
Commissioner

0010782

LEGISLATURE INTERNAL ECONOMY BOARD REGULATION

CITATION

1 This Regulation may be cited as *Internal Economy Board Regulation 2000*.

AUTHORITY

2 This Regulation is made by the Legislature Internal Economy Board pursuant to the *House of Assembly Act*.

INTERPRETATION

3 Unless otherwise stated, in this Regulation,

(a) "economy air fare" does not include expenses incurred for the private charter of aeroplanes;

(b) "recognized party" means a party that is represented by two or more members, is a recognized party in accordance with the *Elections Act*, had candidates standing for election for three quarters of the seats of members in the House and received ten per cent or more of the votes officially recorded in the latest general election of the members of the House; and

(c) other words, phrases and expressions have the same meaning as in the *House of Assembly Act*.

HOUSE INDEMNITY-ALLOWANCE-TRAVEL-EXPENSE

Indemnity-Allowance-Salary

4 (1) Each member of the House is entitled during the year to receive a member's indemnity and allowance in four equal instalments or, where the member so requests in writing of the Chairman of the Legislature Internal Economy Board, in twelve or twenty-six equal instalments, each instalment being paid at equally spaced intervals throughout the year.

(2) The Chief Clerk and the Sergeant-at-Arms are eligible to draw salary in the same manner as the members of the House of Assembly.

Franking

5 Each member of the House is entitled to receive $4,500.00 in substitution for the franking privilege and in lieu of expenses incurred on account of postage.

Outside Member Travel

6 (1) Subject to Section 28, each outside member, except the Premier or a member of the Executive Council having charge of a department or the Leader of the

Opposition or a leader of a recognized party, is entitled to reimbursement for actual travelling expenses calculated in accordance with Section 29 and incurred during the year between the place where the outside member is ordinarily resident and the former City of Halifax to attend sittings of the House.

(2) Notwithstanding subsection (1), each member of the Executive Council who is an outside member and normally travels by motor vehicle on a daily basis between the Halifax-Dartmouth metropolitan area and the member's constituency in the capacity of a member of the Executive Council, is entitled to be reimbursed for travelling expenses by the shortest and most convenient route at the rate of per kilometre allowed for the public service.

(3) Subsection (2) does not apply to

(a) a member of the Executive Council who is an outside member and who has been provided with a government-leased or government-purchased motor vehicle; or

(b) a member of the Executive Council who is an outside member and who leases premises for sleeping accommodation in the Halifax-Dartmouth metropolitan area.

(4) Notwithstanding subsection (1), if an outside member entitled to reimbursement pursuant to that subsection normally travels by motor vehicle on a daily basis between the Halifax-Dartmouth metropolitan area and the member's constituency to attend sittings of the House, the first trip made during a week that the House is sitting shall be counted as one of the fifty-two trips referred to in Section 28 and the member shall be reimbursed accordingly and for any additional trips made during that week to attend sittings of the House the member is entitled to be reimbursed for travelling expenses by the shortest and most convenient route at the rate per kilometre allowed for the public service.

(5) Subsection (4) does not apply to an outside member referred to in that subsection if the member leases premises for sleeping accommodation in the Halifax-Dartmouth metropolitan area.

Outside Member Allowance

7 (1) Each outside member, except the Premier or a member of the Executive Council having charge of a department or the Leader of the Opposition or a leader of a recognized party, is entitled for attending a sitting of the House to

(a) an amount of $60.00 on account of expenses, without receipts, for each day that the outside member is in attendance at the House while the House is in session; and

(b) reimbursement in addition to that authorized by clause (a) for expenses,

(i) with proper receipts for sleeping accommodation charges only, or

(ii) notwithstanding Sections 6 and 28, for travel by the shortest and most convenient route between the place where the

outside member is ordinarily resident and the place where the House ordinarily sits at the rate set out in Section 29,

incurred in attending the House while it is in session to a maximum of $85.00 per day.

(2) Notwithstanding anything contained in this Section, a member shall not submit a claim for travel more often than once every two weeks in respect of payments to be made pursuant to this Section.

Leased Premises

8 (1) In this Section, "actual monthly rental expense" means the actual monthly rental expense as set out in the lease and includes expenses, with proper receipts, for furniture, telephone, utilities, appliances and incidentals.

(2) An outside member, other than the Premier or a member of the Executive Council having charge of a department or the Leader of the Opposition or a leader of a recognized party, who leases accommodation in the Halifax-Dartmouth metropolitan area, shall be reimbursed $1,000.00 per month or the actual monthly rental expense, whichever is the lesser.

(3) If two or more members are leasing the same premises pursuant to subsection (2), each member shall be reimbursed $1,000.00 per month, but under no circumstances shall reimbursement be made in excess of the actual monthly rental expense.

(4) If a member is reimbursed for leased premises pursuant to this Section, the member shall not be reimbursed for sleeping accommodation charges pursuant to Sections 7 or 23.

(5) No amount shall be paid to a member for any expense relating to the acquisition of any equity interest in a personal residence, including a condominium.

Non-Outside Member and Outside Member of Executive Council Allowance

9 Each non-outside member, and each outside member who is a member of the Executive Council or the Leader of the Opposition or a leader of a recognized party and not entitled to submit a claim pursuant to Section 7, is entitled to an amount of $45.00, without receipts, for expenses for each day that the member is in attendance at the House while the House is in session.

Committee and Board Chairs

10 The chair of each standing committee, each select committee and each special committee of the House and the Legislature Internal Economy Board is entitled to payment as follows:

(a) Law Amendments Committee - $1,500.00;

(b) Private and Local Bills Committee, Industry Committee and Public Accounts Committee - $1,000.00;

(c) all other standing committees of the House - $500.00;

(d) each special committee and each select committee - $1,500.00;

(e) Legislature Internal Economy Board - $1,500.00.

Committee Expenses

11 (1) The chair and each member of each standing, select and special committee of the House and the Legislature Internal Economy Board for each day on which the chair and a member attends a meeting of a committee or the Board when the House is not sitting or the meeting is held outside the Halifax-Dartmouth metropolitan area is entitled to receive reimbursement for

(a) actual expenses incurred in respect of accommodation, meals and other reasonable expenses incurred for the purpose of attending the meeting; and

(b) travelling expenses calculated in accordance with Section 29.

(2) Sleeping accommodation charges incurred and claimed pursuant to subsection (1) shall

(a) be accompanied by proper receipts;

(b) not be for more than one night's accommodation; and

(c) not exceed the government rate for the establishment where the member stayed.

(3) Other expenses incurred pursuant to subsection (1) shall not be for more than two days.

House Leaders

12 (1) A payment of $5,500.00 shall be made to the House Leader.

(2) A payment of $3,000.00 shall be made to the Deputy House Leader.

(3) A payment of $3,000.00 shall be made to the person recognized by the Speaker as occupying the position of House Leader of the Official Opposition.

(4) A payment of $2,000.00 or, if there is no Official Opposition, $2,500.00 shall be made to the person recognized by the Speaker as occupying the position of house leader of a recognized party.

(5) The whip of each recognized party of the House shall receive a payment determined by multiplying the number of members of the party by $85.00.

(6) The caucus chair of each recognized party of the House shall receive a payment determined by multiplying the number of members of the party by $100.00.

(7) In this Section, "member" means a duly elected member of the House but does not include the Speaker.

(8) If a payment is made pursuant to this Section to a member in the capacity of House Leader, Deputy House Leader, House Leader of the Official Opposition, house leader of a recognized party, whip or caucus chair, no further payment may be made pursuant to this Section in respect of that position unless there is an intervening general election.

(9) For greater certainty, if a payment is made pursuant to this Section to a member in the capacity of the House Leader, Deputy House Leader, House Leader of the Official Opposition, house leader of a recognized party, whip or caucus chair and the member ceases to hold that position before the end of the year, the payment shall not be pro-rated.

CAUCUS

13 (1) In this Section, "member" does not include the Speaker, the Premier or other member of the Executive Council, the Leader of the Opposition or the leader of a recognized party.

(2) The caucus offices are entitled to $50,000.00 per member for support services, including employment positions.

(3) The sums referred to in subsection (1) shall be increased for each member that a caucus gains and be decreased for each member that a caucus loses by the proportion of $50,000.00 that the number of days remaining in the year is to the number of days in the year.

(4) The salary component of the entitlement under this Section shall be adjusted in accordance with any salary increase given to the public service.

(5) For greater certainty, the sums referred to in this Section do not include the offices of the Leader of the Opposition or a leader of a recognized party.

14 (1) Members of the Government Caucus, members of the caucus of the Official Opposition and members of the caucus of each recognized party are eligible for reimbursement, pursuant to subsections (3) and (4), for a maximum of four trips to attend caucus meetings held in the Province outside the former City of Halifax during the year.

(2) In lieu of each of one or more of the caucus meetings referred to in subsection (1), members of the Government Caucus, members of the Caucus of the Official Opposition and members of the caucus of each recognized party may be reimbursed in accordance with subsections (3) and (4) and Section 23 for a trip to attend a task force meeting anywhere within the Province where the task force meets in one location only and is for a maximum of two nights.

(3) A member attending a caucus meeting pursuant to subsection (1) or a task force meeting pursuant to subsection (2) is entitled to receive reimbursement for

(a) an amount of $60.00 on account of expenses, without receipts, for meals and other reasonable expenses incurred for the purpose of

attending the meeting or actual expenses for meals and other reasonable expenses;

(b) actual expenses incurred in respect of accommodation; and

(c) travelling expenses calculated in accordance with Section 29.

(4) Sleeping accommodation charges incurred and claimed pursuant to subsection (3) shall

(a) be accompanied by proper receipts; and

(b) not exceed the government rate for the establishment where the member stayed.

Caucus Chairs - Expenses

15 Where the chair of a caucus is an outside member, that member is entitled to claim and to be paid, in addition to any other expenses allowed the chair, the same allowance and reimbursement authorized for an outside member for twelve return trips between the place where the chair is ordinarily resident and the former City of Halifax.

LEADER OF OPPOSITION AND LEADER OF RECOGNIZED PARTY

Expenses within the Province

16 The Leader of the Opposition and the leader of a recognized party, in carrying out official duties within the Province, are entitled to be reimbursed for actual and reasonable expenses incurred for accommodation, meals, travel and incidentals incurred by the Leader or leader and one assistant.

Special Travel

17 In addition to the entitlement authorized by Section 24, the Leader of the Opposition and the leader of a recognized party are entitled to be reimbursed for actual and reasonable expenses incurred for accommodation, meals, travel and incidentals incurred by the Leader or leader and one assistant in carrying out official duties outside the Province on two separate occasions during the year, subject to the restriction that on each occasion reimbursement shall not exceed expenses incurred for travel that includes more than three nights accommodation.

Living Allowance

18 The Leader of the Opposition, as an outside member, shall receive an allowance equivalent to that provided pursuant to the *Executive Council Act* to members of the Executive Council for living expenses within the former City of Halifax.

Motor Vehicle

19 The Leader of the Opposition and the leader of a recognized party are entitled to a leased motor vehicle on the same basis as is a member of the Executive Council for a government leased or purchased motor vehicle.

INDEPENDENT MEMBER

Support Services

20 (1) In this Section, "independent member" means a member who is not a member of a caucus that receives financial support pursuant to Section 13.

(2) An independent member shall be provided with

(a) office space not exceeding three hundred square feet;

(b) one secretary at the Civil Service classification AS(13);

(c) office furniture and equipment necessary to furnish and equip the office for the member and one secretary;

(d) one telephone line; and

(e) reasonable postage.

(3) If there is any question arising from subsection (2) in respect of the office of the independent member concerning

(a) the selection of space;

(b) the level of the secretary within the AS(13) classification;

(c) the selection or amount of furniture; or

(d) reasonable postage,

such question shall be determined by the Chairman of the Legislature Internal Economy Board.

(4) An independent member may incur and be reimbursed for long-distance telephone charges for telephone calls made from the office telephone in respect of House or constituency business.

CONSTITUENCY MATTERS

Travel

21 (1) Each member of the House who is not an outside member is entitled to receive $3,300.00 in lieu of expenses incurred on account of travel within the member's constituency.

(2) Each member of the House who is an outside member is entitled to receive $4,400.00 in lieu of expenses incurred on account of travel within the member's constituency.

Services

22 (1) In this Section, "expenses incurred" means expenses incurred by a member prior to the time a member ceases to be a member, or within the later of ninety days following polling day or ninety days after the member ceases to be a

member, regardless of when the expense is to be paid by the member except that a member shall not be reimbursed for expenses incurred by a member prior to the time a member ceases to be a member, or within the later of ninety days following polling day or ninety days after the member ceases to be a member, if those expenses are required to be paid more than ninety days after the member ceases to be a member.

(2) Each member of the House is entitled to receive the sum of $500.00 per month in lieu of expenses incurred on account of services to that member's constituency and a further sum, net of sales tax, not exceeding $2,900.00 per month for expenses accounted for by proper receipt and incurred on account of services in that member's constituency for the provision of office space, meeting places, equipment, telephone, telephone answering services, advertising and secretarial services.

(3) Where the maximum amount that may be claimed pursuant to subsection (2) is not claimed in any month the unclaimed balance may be claimed in a subsequent month.

(4) Expenses incurred for the lease or the lease-purchase of office furniture and equipment are expenses for which a member may be reimbursed pursuant to this Section.

(5) Notwithstanding anything contained in this Section, a member shall not submit more than one expense claim in a month in respect of all payments made pursuant to this Section for a month.

(6) Nothing contained in this Section means that the Office of the Speaker may not make a payment on account of expenses to the person directly performing the service on behalf of the member at the member's request.

Attendance at Halifax

23 (1) Subject to Section 28, each outside member, except the Premier or a member of the Executive Council having charge of a department or the Leader of the Opposition or a leader of a recognized party, is entitled to

(a) an allowance of $60.00 on account of expenses, without receipts, for each day; and

(b) reimbursement in addition to that authorized by clause (a) for travelling expenses calculated in accordance with Section 29 and expenses for sleeping accommodation charges incurred,

for return trips between the place where the member is ordinarily resident and the former City of Halifax to attend in Halifax other than to attend a sitting of the House or one of its committees.

(2) Sleeping accommodation charges incurred and claimed pursuant to subsection (1) shall

(a) be accompanied by proper receipts;

(b) not be for more than two nights accommodation unless approved in advance by the Chairman of the Legislature Internal Economy Board; and

(c) not exceed the government rate for the establishment where the member stayed.

Attendance at Ottawa

24 (1) Each member is entitled to

(a) an allowance of $60.00 on account of expenses, without receipts, for each day; and

(b) reimbursement in addition to that authorized by clause (a) for economy air fare, normal airline ground transportation and expenses for sleeping accommodation charges incurred,

for one return trip between the place where the member is ordinarily resident and the City of Ottawa to attend in Ottawa on constituency business.

(2) Sleeping accommodation charges incurred and claimed pursuant to subsection (1) shall

(a) be accompanied by proper receipts;

(b) not be for more than two nights accommodation; and

(c) not exceed the government rate for the establishment where the member stayed.

(3) The Government Caucus, the Official Opposition Caucus and the caucus of a recognized party may each designate a member to make two return trips or two members to each make one return trip to attend in Ottawa on constituency or caucus business and subsections (1) and (2) apply *mutatis mutandis* to each such trip.

Attendance Outside the Province Other than Ottawa

25 (1) Where a member is not reimbursed pursuant to Section 24 for a return trip between the place where the member is ordinarily resident and the City of Ottawa on constituency business, that member is entitled to

(a) an allowance of $60.00 on account of expenses, without receipts, for each day; and

(b) reimbursement, in addition to that authorized by clause (a), for economy air fare, normal airline ground transportation and expenses for sleeping accommodation charges incurred,

for one return trip between the place where the member is ordinarily resident and another place in Canada outside the Province to attend that other place on constituency business.

(2) Sleeping accommodation charges incurred and claimed pursuant to subsection (1) shall

(a) be accompanied by proper receipts;

(b) not be for more than two nights accommodation; and

(c) not exceed the government rate for the establishment where the member stayed.

(3) Notwithstanding subsections (1) and (2), the member is not entitled to an amount pursuant to this Section for economy air fare charges in excess of that to which the member would have been entitled pursuant to Section 24.

Attendance at Authorized Parliamentary or Legislative Meetings

26 Each member is entitled to

(a) an allowance of $80.00 on account of expenses, without receipts, for each day; and

(b) reimbursement in addition to that authorized by clause (a) for economy air fare, normal airline ground transportation and expenses for sleeping accommodation charges incurred if the sleeping accommodation charges are

(i) accompanied by proper receipts,

(ii) not for more than two nights accommodation, and

(iii) do not exceed the government rate for the establishment where the member stayed,

unless determined otherwise by the Chairman of the Legislature Internal Economy Board for return trips between the place where the member is ordinarily resident and another place to attend at that other place a meeting of the Commonwealth Parliamentary Association or a meeting of any other parliamentary or legislative group, if prior approval of the Chairman of the Legislature Internal Economy Board is obtained prior to the incurring of the expenses.

Expenses of Critics

27 Persons occupying the position of critic of a department or agency of Government are entitled to reimbursement for actual and reasonable expenses for accommodation, meals, travel and incidentals incurred by the critic for attending not more than two meetings per year within the Province which meetings are necessarily incidental to the duties of the critic if prior approval of the Chairman of the Legislature Internal Economy Board is obtained prior to the incurring of the expenses.

GENERAL

Restriction

28 Except as authorized by Section 6, no member shall be reimbursed for travel expenses authorized by Sections 6, 14 and 23 in excess of fifty-two return trips in the year between the place where the member is ordinarily resident and the former City of Halifax to attend in Halifax, other than for attendance at a meeting of a select committee, a special committee or a standing committee.

Calculation of Travel Expense

29 Each outside member of the House, the Leader of the Opposition and a leader of a recognized party entitled under the *House of Assembly Act* to receive travelling expenses is entitled to be reimbursed out of the Consolidated Fund of the Province for claimed travelling expenses incurred for travel by the shortest and most convenient route between the place where the member is ordinarily resident and the place where the House ordinarily sits or the Committee is meeting at

(a) the rate per kilometre allowed for the public service; or

(b) the cost of economy air fare plus normal airline ground transportation.

Request for Reimbursement

30 A person who makes a request for payment or reimbursement shall

(a) make the request in writing on the form provided by the Legislature Internal Economy Board;

(b) make the request within six months from the time the payment or claim for which reimbursement is made was incurred or became eligible to be paid;

(c) sign the request and certify that the request is correct; and

(d) forward the request to the Office of the Speaker.

Limitation on Reimbursement

31 Notwithstanding anything contained in this Regulation, no member may claim for reimbursement an expense

(a) for which the member is reimbursed pursuant to another regulation or enactment;

(b) paid to the member's spouse, child, parent, brother or sister;

(c) paid to a person living in the same dwelling, as a member of the same household;

(d) paid to any business or on account of property in which the member or those persons mentioned in clause (b) or (c) have an ownership interest.

Payment Approval

35 (1) Directions for payment of indemnities, allowances, payments or reimbursements and approval of requests for payment or reimbursement shall be issued or made by the Chairman of the Legislature Internal Economy Board, the Vice-chairman or a person designated by the Chairman.

(2) The person who approves a request for payment or reimbursement has the authority to reduce or increase the amount of the payment or reimbursement claimed where that person determines that the amount claimed is in error.

Application

36 This Regulation applies from January 1, 2000, to December 31, 2000.

Approved by the Legislature Internal Economy Board at Halifax, Nova Scotia, this 23rd day of February, 2000.

Hon. Murray Scott
Chairman